

Pact with U.S. and EC going into effect

Imports will cost 20-30% less from January 1

By AVI TEMKIN
Post Economic Reporter

The prices of new cars will drop by as much as 20 per cent, and those of other consumer durables by as much as 30 per cent, on January 1, when customs duties on imports from the European Community and the U.S. are cut by nearly two-thirds, the Treasury said yesterday.

Ending weeks of speculation, the Treasury released a detailed list of net changes in the consumer price of a wide assortment of imports. The change represents both a 60 per cent cut in customs and an increase or, in most cases, a decrease, in the purchase tax, depending on the product. In most cases, the net result is a price cut.

The cuts in the purchase tax for most goods raised a howl from politicians, industrialists and the trade unions yesterday (see story page 7). Under separate bilateral trade agreement, with the EC and the U.S., Israel was

required to reduce its customs levies, but the reductions in the purchase tax were taken unilaterally by the Treasury. The sharpest price reductions for private cars will be for medium-sized vehicles, with engine sizes of 1300cc. to 1600cc. imported from the U.S. and all EC countries, except Spain. The retail price on these cars will go down by an average of 18 per cent. Consumer prices on Renault, Opel and Fiat cars with 1300cc. and 1600cc. engines will drop 20 per cent, from a range of NIS 35,000-NIS 50,000 to a range of NIS 30,000-NIS 40,000. The price cuts for smaller cars, with engines of 1300cc. or less, will be much smaller, as the Treasury is increasing the purchase tax on vehicles of this size to bring them in line with those charged on medium-sized cars. The price reduction for this group will average only 2.5 per cent, although French, German, Italian and British cars in this category will go down some 4 per cent.

(Continued on Page 7)

Hussein and Mubarak meet to coordinate strategies

AMMAN (Reuters). — King Hussein of Jordan and President Hosni Mubarak of Egypt met yesterday for the second time in five weeks in what diplomats said was an attempt to form a common stand for next month's Islamic Conference in Kuwait.

The Israeli peace process was one of the main items on the agenda for the talks being held in the Red Sea port of Akaba yesterday evening and today, reported Radio Monte Carlo.

A Kuwaiti newspaper said Saturday that Mubarak had arranged a meeting between Hussein and PLO chief Yasser Arafat during the forthcoming Islamic conference to heal the rift between them over how to approach peace with Israel.

But a senior Jordanian official said he expected no major developments

out of the current Mubarak-Hussein meetings. He said Mubarak's visit to Jordan was part of a series of "continuing contacts" between the Egyptian president and Hussein.

Both leaders are expected to attend the January 26 Islamic summit, where the Iraq-Iran war and fighting in Lebanon are likely to be major topics along with the peace process.

Egyptian ambassador Ibad Wahbi told Reuters News Agency that Hussein and Mubarak held a working lunch at the King's seaside palace that offers a view of Egypt, Israel and Saudi Arabia across the waters of the Gulf of Akaba.

The Egyptian leader arrived shortly before noon yesterday. State-run Jordanian Radio said Mubarak was accompanied by his

wife, Suzanne, Foreign Minister Esmat Abdel-Meguid and presidential adviser Osama el-Baz. The radio said Queen Noor, Prime Minister Zaid al-Rifai and Foreign Minister Taher al-Masri and Royal Court Chief Marqan Qasem were present on the Jordanian side.

King Hussein, attempting to forge a unified Arab policy for the Islamic summit, visited Saudi Arabia and Kuwait last week while al-Masri went to Cairo.

The king has also campaigned for an Arab summit but Masri said in Cairo it would be difficult to convene such a meeting "under present circumstances."

Egypt and Jordan back Iraq in its war against non-Arab Iran and have closely coordinated policy on Middle East peace efforts.

'Summit' on new package deal

By AVI TEMKIN
Post Economic Reporter

The government and the Histadrut last night started negotiations that could lead into a new package deal incorporating aspects of the proposed reform of the tax system and capital market, together with steps to ensure price stability, wage restraint and increased incentives for industry.

Representing the government in the talks were Vice Premier Shimon Peres and Finance Minister Moshe Nissim. The two were appointed by the cabinet last week to negotiate with the employers and the labour federation on the reform plan.

The idea to integrate the reforms with a wider agreement on prices and wages was raised by Histadrut Secretary-General Yisrael Kassar, who also said that the details of the tax reform should be prepared by a committee of experts. Kassar said yesterday, before he met with Nissim and Peres, that there was room for a package deal, as long as the Treasury backed off from its original ideas on tax reforms, including the proposed scrapping of tax exemptions.

The president of the Manufacturers' Association, Dov Lautman, said yesterday that employers want the plan to include higher incentives for industry. This would help close the growing gap between imports and exports, he said. The industrialists have also said they would support reforms that increase workers' take-home pay by reducing income tax rates — while avoiding wage increases.

Government sources predicted yesterday that a package deal would eventually be worked out.

The end of the two-year affair

Shamir cleared, Shalom tarred in GSS report

Jerusalem Post Staff
Prime Minister Yitzhak Shamir, who has been completely exonerated in the General Security Service (Shin Bet) affair, yesterday ordered full publication of the Justice Ministry report on the matter prepared by Attorney-General Yosef Harish and a team of jurists.

The 65-page report, submitted yesterday by Harish to Shamir, Foreign Minister Shimon Peres and Defence Minister Yitzhak Rabin, clears Shamir of having issued a general order permitting the killing of captured Arab terrorists, as alleged by former GSS head Avraham Shalom.

The report also clears the prime minister of allegations that he had been privy to the killing of two Arab terrorists who were captured after they had hijacked bus No. 300 to Ashkelon in April 1984, and to the subsequent cover-up engineered by the GSS in 1984-85.

Shamir said last night that he was "not surprised" by the report's conclusions and was "satisfied that the truth is now out." Those who had criticized him should now eat their words, he said. Shamir had insisted throughout that he had done nothing wrong.

The report was drawn up by Harish, assistant attorney-general Yehudit Karp, Justice Ministry adviser Yitzhak Eliasov and attorney Edna Arbel. Based on a three-month investigation during the summer, the report casts a dark shadow on Shamir, who since the revelation of the affair last May has contended that he acted with "authority and permission," both in the killings and in the extensive cover-up.

The affair began when the two captured terrorists were murdered by a team of GSS agents, on the



The picture that started it all. One of the hijackers of the Ashkelon bus is led away by security agents after capture and before interrogation.

order of Shamir, after their interrogation.

The IDF subsequently maintained that the two men had died of wounds sustained during a commando attack on the bus. But the publication several days later of photographs showing relatively healthy terrorists being hauled off the bus to interrogation, prompted public pressure for an investigation.

Two probes were initiated — one in 1984 by the Zorea Commission and another over 1984-85 by a team headed by State Attorney Yona Blattman. But they were both inconclusive because of rigged testimony by the GSS agents involved.

In October 1985 GSS deputy head

Reuven Hazak complained to then prime minister Peres that there had been killings and a cover-up, and blamed Shalom. But when Peres failed to take any action, Hazak went to then attorney-general Yitzhak Zamir, in May 1986, and the affair blew up.

Eventually, Shalom and his chief aides, and the GSS field men involved, asked for and received presidential pardons after generally confessing to improper and criminal behaviour in the affair.

The Harish report says that the police and the jurists found no evidence linking Shamir, who was prime minister in 1984 — with the killings and the cover-up.

It also cleared the other ministers involved — Peres, who was prime minister during the Blattman inquiry, and Arens, who was defence minister in April 1984 — of any blame in the killings and the cover-up.

The report dismisses Shalom's allegations and assertions as contradictory, untrustworthy and, often, confused. It states that Shalom maintained at a meeting with Shamir two days after the bus hijacking that Arens had ordered the GSS to execute the captured terrorists. Arens subsequently confronted Shalom with this statement and Shalom conceded that it was untrue and that he had been "confused" when he said it, or at least misunderstood by Shamir.

The report concluded that there are no grounds for Shamir to be prosecuted and that there is no point in prosecuting any of the 11 GSS men involved, including Shalom, as they were covered by presidential pardons.

The report asserts that Hazak was privy to and party to the cover-up in 1984-85, but recommends that he not be prosecuted, as he was the one who had brought the affair to light.



Hidden by a red umbrella and a burlap sheet, a figure — presumed to be Mordechai Vanunu — emerges from the Jerusalem District Court yesterday. Report, page 2. (Isaac Harari)

Catholics accuse Israel of exploiting visit

By HAIM SHAPIRO in Jerusalem
and WALTER RUBY in New York
and Agencies

A Roman Catholic source in Jerusalem yesterday accused the government of using the visit this week of New York Cardinal John O'Connor to "force the hand of the Catholic Church."

The source, who is close to the Apostolic Delegation, the de facto Vatican "embassy" in Israel, told *The Jerusalem Post* that if the Israeli government "wants to talk about relations" with the Catholic Church, there are proper channels and O'Connor "is not the address."

O'Connor arrived in Amman yesterday and is scheduled to come to Jerusalem on Thursday.

The cardinal was invited to Israel in September by then-prime minister

Shimon Peres, who wanted him to hear "Israel's side" in the Middle East conflict.

O'Connor accepted the invitation, and the schedule planned by Israeli officials and a representative of the cardinal included formal meetings with President Herzog and Prime Minister Shamir.

But last week, apparently after Vatican intervention, O'Connor announced that his visit would be private. He said he would not formally meet Israeli leaders in their Jerusalem offices, since this would be interpreted as a political action.

O'Connor said Saturday before leaving New York for Jordan that he had "failed to check Vatican protocol" before arranging the meetings.

(Continued on Back Page)

Nativity cleansing hangs on Israeli shuttle

By DAVID LANDAU
Delicate inter-denominational diplomacy was under way in Jerusalem late last night in an effort to head off violent discord between Greeks and Armenians at today's Annual General Cleaning of the Church of the Nativity in Bethlehem.

A Greek Orthodox spokesman said he was "optimistic," but a leading Armenian cleric said he was apprehensive and suspicious, while Israeli officials, shuttling between the two communities, sought to mediate in the recurring dispute over ancient proprietary rights.

The dispute concerns a small expanse of wall above the northern entrance to the Grotto of the Nativity. The Greeks claim the right to clean that area in the course of the general cleansing that takes place each year before the Greek Orthodox Christmas (January 6). The Armenians, backed by the Latins, insist it should be left uncleaned.

Cleansing symbolizes ownership rights in the ancient church. Armenian Archbishop Kapikian seemed concerned last night that the Israeli authorities were "siding with the Greeks." He said the Israeli Civil

(Continued on Page 2, Col. 2)

Gur to head Solel Boneh

Labour MK and former health minister Mordechai Gur is to be appointed chairman of Solel Boneh's board of directors this week. Gur said he would accept the position despite the construction company's deteriorating financial situation. He will replace Moshe Sanbar, who resigned last week.

Haniyeh in Zurich

Red Cross condemns deporting of editor

By JOEL GREENBERG
and agencies

Palestinian editor Akram Haniyeh was deported yesterday from the West Bank in a move promptly denounced by the Red Cross as a "violation of humanitarian law" and of the Geneva Conventions.

The rare condemnation by the Red Cross came shortly after Haniyeh arrived in Zurich aboard a Swissair flight that left Ben-Gurion Airport shortly before 8:00 a.m. Haniyeh was put aboard the plane

IDF troops used tear gas and shot and wounded two Palestinian students yesterday while breaking up violent demonstrations in the West Bank. Fifteen students were arrested. Protesters at three schools in Ramallah and Kalandia threw stones at vehicles, burned tires, raised Palestinian flags and blocked a main road in protests linked to the deportation of Akram Haniyeh and the forthcoming January 1 anniversary of the first Fatah attack on Israel.

some 10 minutes before takeoff by plainclothes security men and a Red Cross official, after being driven directly to the aircraft.

Haniyeh is expected to travel from Zurich to Algeria. He was met in Switzerland by an official of the Red Cross. The organization helped to arrange Haniyeh's flight from Israel and is assisting in preparations for his flight to Algeria.

Unlike previous deportees, Haniyeh was not expelled to Jordan, where he may have faced prosecution for criticizing the Hashemite regime in his newspaper, *A-Shahab*.

Haniyeh was ordered expelled November 3 on suspicion of being a senior Fatah organizer and a conduit for PLO funds and instructions. His withdrawal on Friday of an appeal against deportation to the High Court of Justice paved the way for his expulsion. Haniyeh has denied the charges against him and claimed he was "a victim of political revenge."

"The International Committee of the Red Cross deplores once more

(Continued on Page 2, Col. 1)

Over 50 Soviet emigres to return to Moscow from U.S.

NEW YORK (AP). — More than 50 Soviet emigres who no longer want to live in the U.S. gathered yesterday to fly back to Moscow, the largest group ever to return to their homeland from this country at one time, Soviet officials said.

At least seven of the returnees are naturalized U.S. citizens and many are Jews, said Alexei Zhvakina, Soviet embassy vice consul in Washington who came to New York to handle the paperwork. The group includes at least two families of five,

and some who are leaving children behind, he said.

Many of the emigres have lived in the U.S. for six-eight years but decided to leave because "they could not get used to the American way of life," said Zhvakina.

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LONDON	2	7	Cloudy
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MILAN	2	7	Cloudy
MONTREAL	2	7	Cloudy
NEW YORK	2	7	Cloudy
PARIS	2	7	Cloudy
ROME	2	7	Cloudy
STOCKHOLM	2	7	Cloudy
TORONTO	2	7	Cloudy
ZURICH	2	7	Cloudy

*For the latest weather conditions contact Swissair.

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THE WEATHER

Forecast: Rain in the north and central areas

	Yesterday's	Today's	Forecast
Jerusalem	46	5-11	9
Golan	40	4-10	8
Nahariya	46	5-11	9
Safed	40	4-10	8
Haifa Port	46	5-11	9
Tiberias	46	5-11	9
Naqurah	46	5-11	9
Afula	46	5-11	9
Shomron	46	5-11	9
Tel Aviv	46	5-11	9
B-G Airport	46	5-11	9
Jericho	46	5-11	9
Ces	46	5-11	9
Beersheba	46	5-11	9
Eilat	46	5-11	9

Nurses threaten to cut work week

By JUDY SIEGEL
Post Science and Health Reporter
Hospital nurses threatened yesterday to cut their work week unless the government fully carries out the agreement it made with them when they ended their strike over two months ago.

The nurses said that if the accord was not implemented by Sunday, they would unilaterally reduce their workweek from 40 hours to 36 hours. They also said they would divide each day into four shifts, instead of the current three.

To cope with this change, the nurses said, there will have to be fewer patients in each department.

The Health Ministry spokesman said the hospitals could not function under these conditions. But he would not say whether the hospitals would be evacuated this week in anticipation of the nurses' action.

Five government hospitals announced yesterday that they would close out-patient clinics and perform no elective surgery this week if they did not receive extra funds. The five are the Safad and Ashkelon hospitals, Hillel Yaffe in Hadera, Poriya near Tiberias, and Rothschild in Haifa.

RED CROSS

(Continued from Page One)

this violation of humanitarian law by the Israeli authorities," an ICRC spokeswoman said in Geneva. She said the expulsion violated the Fourth Geneva Convention on treatment of civilians in wartime, which forbids expulsions from occupied territory.

The EC yesterday also condemned the deportation as "contrary to international law," in a statement released in London.

The deportation was denounced in Tunis by the PLO, and in Amman by the Jordan Press Association. Both groups charged that the move was part of a policy to evict Palestinians from their homeland.

Radwan Abu Ayyah, chairman of the Arab Journalists' Association in East Jerusalem said the expulsion was part of a policy to banish PLO supporters and help promote Jordanian influence in the territories.

The East Jerusalem *Al-Fajr* and *A-Shaab* papers announced yesterday they would not publish tomorrow in protest against the expulsion.

Security sources insisted yesterday that Haniyeh's deportation was connected neither with politics nor with Haniyeh's work as a journalist. The sources said Haniyeh's decision to withdraw his High Court application and go to Algeria "spoke volumes" about the subversive nature of his activities.

The sources said Haniyeh realized there was significant hard evidence against him, and had chosen to join senior Fatah activists in Algeria associated with Fatah military chief Khalil al-Wazir (Abu Jihad).

They said Haniyeh had maintained contacts with Abu Jihad and with a senior Fatah activist now jailed in Amman, Zuhair Manasra, who was directly responsible for a series of attacks in Israel and the territories.

Haniyeh had received large sums of money from Fatah abroad to fund local hostile groups, and received a monthly stipend from the PLO, the sources said.

MR. SOLOMON B. TERKELTOUB

lawyer from New York—

Please contact Mrs. Gerstel urgently
Tel. 03-334175

HOME AND FOREIGN NEWS

Likud instability keeping Sharir at Justice Ministry

By SARAH HONIG

Post Political Correspondent

TEL AVIV. — Despite his professed wish to relinquish the justice portfolio, Avraham Sharir will apparently continue to hold it indefinitely.

Sharir informed the prime minister over the weekend that he wanted to give up the justice portfolio and keep only the Tourism Ministry. He was made justice minister when Shimon Peres was prime minister and forced Yitzhak Moda'i to resign from the cabinet.

Sources close to Prime Minister Shamir told *The Jerusalem Post* last night that Shamir would have been quite pleased to appoint another justice minister, especially as he had stressed that the portfolio had been given to Sharir in a caretaker capacity. Shamir is reported to be unhappy about the way Sharir has handled the William Nakash extradition case.

However, the knowledge that Sharir's resignation

from the justice ministry would trigger unrest in the Likud prevented Shamir from acceding to his request, *The Post* was told.

Sharir explained to the prime minister that the "vicious campaign" against him — mainly in the press — in connection with the Nakash case had made it extremely difficult for him to continue as justice minister.

But Shamir yesterday asked Sharir to continue in his job, and he agreed.

Moda'i is demanding a cabinet portfolio. If the justice portfolio were up for grabs, Moda'i would probably lay claim to it, and Shamir would be under pressure to give it to him. But Shamir would then encounter stiff opposition from Labour. Shamir's recent attempts to persuade Transport Minister Haim Corfu to take the Justice Ministry and let Moda'i be transport minister were unsuccessful.

Ministerial tempers flare over Treasury's budget cut proposals

Jerusalem Post Reporter

The Treasury's proposals to cut the budgets of the Agriculture, Health and Interior Ministries led to angry exchanges in the Committee of Economic Ministers yesterday.

Agriculture Minister Arye Nehamkin raised his voice at Finance Minister Moshe Nissim and upbraided him for suggesting that the Agriculture budget be cut by closing down the research administration at his ministry.

When Nehamkin said, "You had no right to suggest such a step without prior consultation," Nissim replied: "You have no right to shout at me."

Nehamkin also told Nissim he would not agree that NIS 40m. earmarked for settlement in the administered areas be transferred from his ministry to the Jewish Agency settlement department.

He also accused Treasury officials of violating their signed commitments to the Agriculture Ministry.

Vice Premier Shimon Peres, trying to soothe Nehamkin's temper, assured him: "I shall make sure that the agriculture economy does not collapse."

Health Minister Shoshana Arbeli-Almosino objected vociferously to the Treasury's proposal to cut NIS

40m. from her ministry's budget. She said: "The government has to realize that all these cuts will merely cause the country's health system to fall to pieces." As she explained her objections, item by item, Nissim several times interrupted her, to her increasing displeasure.

Eventually, Prime Minister Yitzhak Shamir turned to Nissim and said: "It would be much better to keep the atmosphere here calm and let Arbeli-Almosino have her say first."

Arbeli-Almosino said she objected particularly to the idea of levying an extra fee for hospitalization days, and for visits to doctors at sick funds and clinics.

Instead, she proposed, extra money for health could be raised by an annual surtax on income tax, and a 5 per cent levy on sales of cigarettes and tobacco, which would bring in NIS 90m. and NIS 15m. respectively. The latter, she said, would constitute a small part of the health system's expenditure on "one of our greatest causes of ill health."

Arbeli-Almosino said that the health system needed more money, not less. It needed NIS 104m. more than the budget envisaged, mostly to meet the government's commitments to the nurses and doctors.

"The budget contains no money to pay the nurses," she warned. "Very soon we can expect a resumption of industrial action in the nursing profession."

Lea Levavi adds:
Cuts in the health budget will endanger patients' lives, Kupat Holim Clalit chairman Haim Doron warned yesterday.

The government's participation in the fund's budget was 3.1 per cent (\$25m.) in the current fiscal year, compared with 30 per cent in 1978, he said in a telegram to the inner economic cabinet members. The fund's development budget this year was \$5m., but at least \$130m. is needed to meet the most urgent needs of the fund's hospitals.

Also yesterday, the council of the Histadrut Teachers' Union pledged to support the Histadrut's fight against the economic programme, and authorized union leaders to take all necessary action against cuts in the education budget.

The union called on Knesset members not to approve the imposition of school fees, and urged the Education Ministry not to tax parents for cultural enrichment programmes. The union also warned the ministry not to make unilateral changes in existing employment procedures.

Transplant not likely to save Shirman

By JUDY SIEGEL

Cancer researcher Mikhail Shirman, desperately ill with leukemia, is to receive a bone-marrow transplant from his sister Inessa Fleurova this week, but doctors rate his chances of survival at "less than 1 per cent."

Shirman's twin sister was allowed to emigrate from the Soviet Union about two months ago after international pressure persuaded the Soviets to let her out to donate the bone marrow.

Doctors at the Hadassah Hospital at Ein Karem say that if Fleurova had been allowed to come at the beginning of 1986, Shirman's chances of recovery would have been excellent because their tissues are a perfect match.

Shirman knows his chances of survival are virtually nil, but has asked Prof. Shimon Slavin of the bone marrow unit to do the transplant anyway.

Hide and seek with Vanunu at court

If Mordechai Vanunu had any thoughts of revealing additional secrets to the press outside the Jerusalem District Court yesterday, he was prevented from doing so by police diversionary tactics that obscured his arrival and departure.

During the session, which was held in camera, Vanunu — through his attorney Amnon Zichroni — pleaded not guilty to charges of aggravated espionage and treason. Vanunu allegedly revealed Israel's nuclear secrets to *The Sunday Times* of London in September.

When he arrived at the court last week for a hearing to extend his remand, Vanunu showed waiting journalists a message on his palm stating that he had been brought to Israel after being kidnapped in Rome.

In yesterday's hearing, which lasted an hour-and-a-half, Zichroni presented preliminary arguments after entering his client's plea. The trial will continue in about a month-and-a-half.

Zichroni told reporters that Vanunu was brought to the court at 5 a.m.

(the first journalists showed up at about 6 a.m.). At 7:20, however, a police van with its windows painted white drove to the back of the courthouse. A man emerged from the van and was swallowed up in the crowd of security men as he entered the building.

The hearing was held in a courtroom on the third floor, which was sealed off completely to the public.

At 10:20, a figure emerged from the rear entrance to the courthouse, surrounded by security men and covered by a red umbrella and a burlap sheet.

The figure then got into the police van with the painted-over windows and was driven off in a convoy with sirens wailing.

At the same time, a police car pulled up at the side of the building, picked up a passenger and then drove off.

Reporters were left guessing, but the bets were that the elaborate scene with the sheet and umbrella was designed to deflect attention from Vanunu's quiet departure from the side entrance. (11m)



DOUGHNUTS FOR PROTESTERS. — Mapam members demonstrating in the West Bank town of Efrat last night receive doughnuts from residents. The sign reads: 'Money to poor neighbourhoods and not to settlements.' (Rahamim Israeli)

Desertions force SLA to begin recruitment drive

By DAVID RUDGE

Jerusalem Post Reporter

KIRYAT SHMONA. — The South Lebanese Army has launched a recruitment drive to fill its ranks after a spate of recent desertions and resignations, according to IDF sources.

They said the number of soldiers serving with the SLA had dropped from more than 2,700 to just under 2,500 in the past few months. This followed a number of terrorist attacks on SLA forces which had lowered the morale of the troops.

The sources said the majority of those who had left were Christians from the north who feared reprisals against their families if they continued to serve in the SLA. Others had resigned in order to resume their studies.

Recruitment had also dropped because of the relatively low wages, averaging between \$100 and \$150 a month.

Nevertheless, the sources said, the salaries of SLA troops were higher than those paid to men serving with other militias in Lebanon.

The SLA and the IDF are now trying to boost recruitment by improving conditions and the image of the SLA and by paying the soldiers in dollars instead of Lebanese pounds.

Another benefit was that only close relatives of SLA soldiers were allowed to work in Israel, the sources noted. Many South Lebanese wanted to find jobs across the border where wages are considered high by Lebanese standards, and this provided an extra source of income for the families of SLA soldiers.

The IDF sources said that despite some local successes by terrorists in September, the SLA had proved it could more than hold its own.

NATIVITY

(Continued from Page One)

Administration in Bethlehem was about to withdraw a letter it had issued earlier in the year laying down a compromise procedure for cleaning the disputed wall.

That letter recapitulated the compromise solution imposed on the parties by the IDF last year, following a tense confrontation. "A Greek representative climbed a ladder," the letter said, "and, while standing on the ladder, cleaned... that portion of the wall which could be reached with a normal hand-broom... The Greek representative then proceeded from the ladder onto the beam... and without walking along it cleaned those portions of the beam which could be reached..."

Now, Kapikian asserted, the Israeli authorities were considering withdrawing the letter, which the Greek Orthodox patriarch has vigorously and repeatedly rejected as an infringement of the *status quo*, but which the Armenians were content to live with.

Kapikian argued that even if the Greek cleaner stayed within the spirit of the letter this year, "they will raise the problem again next year — and then there will be no document."

He added, "We don't trust anyone, especially the Greeks. If the authorities withdraw the letter, this would be a blow to our prestige, but even more of a blow to Israel's prestige."

The Greek Orthodox patriarch, Diodoros I, has threatened to cancel his traditional Christmas procession to Bethlehem next week, or to boycott President Herzog's New Year reception, if the Israeli authorities impose what he considers an "unjust" solution to the dispute.

Tamir leaves for Cairo

Foreign Ministry Director-General Avraham Tamir left last night for Cairo for several days of talks with Egyptian leaders.

Sources in the Foreign Ministry said that the talks would centre on the establishment of a preparatory committee for an international peace conference on the Middle East, and on the possibility of a meeting between Foreign Minister Peres and President Mubarak. (11m)

Judges approved

The Judges' Appointments Committee yesterday approved unanimously the appointment of Ayala Portkacha and Sara Gadot as magistrates' court judges in Jerusalem and Tel Aviv respectively.

Missing volunteer

BROR HAYIL (11m). — The police are looking for Renate Baumhaus, a 29-year-old German volunteer who failed to return to this northern Negev kibbutz after leaving for a weekend in Tel Aviv last Thursday. She speaks English, French and German.

UKM still against Yahad-Labour link

By SARAH HONIG

TEL AVIV. — The United Kibbutz Movement yesterday refused to withdraw its opposition to the merger agreement between the Labour Party and Ezer Weizman's Yahad list.

UKM representatives met yesterday with party secretary-general Uzi Baram on the matter. But Baram's efforts to get them to accept the deal with Yahad failed.

The UKM and other groups in Labour are adamantly against granting Yahad at least three safe slots on their party's Knesset list. They also oppose the clause that would leave Yahad holding 6 per cent of the representation in all Labour institutions. Also in question is who will foot the bill for the considerable debts incurred by Yahad in the last election campaign.

The UKM says that Yahad does not merit so much power in Labour, which would come at the expense of true and veteran Labour groups. Yahad, it is claimed at the UKM, is not really Labour-oriented in ideology and is made up of political opportunists who have no electoral prospects elsewhere. The party has already awarded too many safe slots to too many defectors from other parties, it is charged.

But sources in Labour doubted last night that the opposition to a deal with Yahad could in fact foil it. They said that at worst it could only delay the process and irritate Weizman even further.

In the end, say the pundits, the party leaders would steamroller the merger through.

Navy intercepted Lebanese cargo ship

Jerusalem Post Staff

A Lebanese freighter was intercepted by the Israeli Navy and forced into Haifa port on December 19, military sources revealed yesterday. The ship's cargo was searched and its crew questioned.

The sources said the ship, the *Monteroro*, and all but two of its

crewmembers had been allowed to leave three days later. The statement confirmed an announcement by police in Tyre on Saturday that a cargo ship transporting cars to the south Lebanese port had been intercepted and forced into Haifa, where its captain and another crew member had been arrested and detained.

The Sherman family announces

that the stone setting for the late

ARCHIE SHERMAN

will take place on Sunday,
January 4, 1987 at 10:30 a.m.
at the Nachlat Yitzhak cemetery in Tel Aviv

02344-01-023

Shaare Zedek Medical Center, Jerusalem
invites the public to join in paying tribute
to the memory of a major benefactor

ARCHIE SHERMAN ז"ל

tomorrow Tuesday, December 30, 1986 at 10:15 a.m.

at the Marjorie and Archie Sherman
Nursing Educational Centre
Sherman Building (opp. Mt. Herzl).

ELISHEVA (LIESL) GERSTMAN

is no longer with us.

The funeral cortege will leave from the funeral parlour at
Rehov Dafna, Tel Aviv — 29/12/86, 14:15 to the Holon Cemetery

The mourners:

Husband: Heinz (Gershon) Gerstman
Daughter and son-in-law: Irit and Dr. Avraham Zehavi
Son and daughter-in-law: Itamar and Mali Gerstman
Grandchildren: Zohar, Shir, Shimrit, Na'ama and Inbar.

Shiva is at the home of the deceased.

On the thirtieth day after the passing
of our beloved

HELENE LANDMAN

née Neuman

there will be a memorial and tombstone
unveiling service

at 3:30 p.m. on Wednesday,

December 31, 1986 — 29 Kislev 5747,
at the Herzliya cemetery on Rehov Pinsker.

We will meet at the entrance to the cemetery.

The Family

On the thirtieth day after the passing of

Eng. VICTOR SALKIND ז"ל

there will be a memorial and tombstone unveiling service on
Wednesday, 29 Kislev 5747 (Dec. 31, 1986) at 1:00 p.m. at the Har
Hazeitlim cemetery, Jerusalem, near the Kedoshai Tarpot section,
Derech Yericho.

Relatives and Friends

Transportation by Taxi Rehavia, Reh. Agron (near Super-Sol) at
12:40 p.m.

Our heartfelt condolences to our friend

Dr. R. Gottschalk

on the passing of his beloved wife

MALKA ז"ל

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02344-01-023

PICTURES OF THE YEAR



The Challenger space shuttle, with a crew of seven, explodes after take-off from the Kennedy Space Centre in Florida on January 28. (AFP)



A street in the Christian suburbs of Beirut after a car-bomb explosion wreaked havoc on May 23. (AFP)



Bloodstained shoes and slippers of people killed after a hijacked Pan Am plane was stormed in Karachi on September 7. (AFP)

Iraq bolsters positions after Iranian setback

BASRA (AP). — Iraqi troops fortified positions east of Basra at the weekend in a battlefield strewn with bodies of Iranian soldiers killed in a Christmas offensive launched by their High Command. Iraq claims that Iranian casualties ran into thousands.

Reporters taken to the island of Umm al-Rassas in the Shatt al-Arab waterway saw dozens of Iranian bodies and light weapons abandoned by the attackers among the palm groves.

Iraqi troops were busy at the weekend fortifying their defences on the island, which is about 40 kilometres south-east of Basra and was the site of fierce fighting during the 36-hour Iranian offensive.

The official Iraqi news agency, monitored in Nicosia, said 32,344 Iraqis were killed as Iraqi troops beat back the attack, which began Wednesday night.

Iraq claimed its forces killed 3,000 Iraqis in what it called a limited operation, mounted in retaliation

for recent air attacks on its cities.

Iran denied the assault was its long-predicted final drive that would crush Iraq, and said the objectives of the action were limited. Parliament speaker Hashemi Rafsanjani said in Tehran yesterday that Iran is still "counting down for the decisive final blow."

There was no way to verify independently the figures provided by the two countries, which have been at war for six years.

Iran reportedly has massed about 650,000 troops along the warfront in preparation for its long-awaited "final offensive" with the aim of defeating Iraq and driving President Saddam Hussein out of power.

Iran's Islamic Republic News Agency, monitored in Nicosia, dismissed the Iraqi battle claims as "propaganda" and quoted one of the commanders of the offensive as calling it a "limited surgical strike."

The deputy commander of Iraq's 3rd Army Corps, Maj-Gen. Talea

Ruhaaim al-Douri, said the Iraqis intended to use Umm al-Rassas and three other islands on the Shatt al-Arab as staging posts for an attack on Basra.

"It was a real battle of wills between Iraqi defenders and Iranian invaders which was entirely settled in Iraq's favour," Al-Douri told reporters in Basra on Saturday.

He said the Iraqis possibly had been trying to cut the main highway from neighbouring Kuwait to Basra before moving on the city itself.

Al-Douri said it would be some months before the Iraqis could stage another offensive.

Iran, the Iranian new agency, said on Saturday that a letter had been sent to UN Secretary-General Javier Perez de Cuellar deploring the use of chemical weapons by Iraq.

In Basra, al-Douri denied Tehran's claim that Iraq used poison gas shells against advancing Iranian troops, adding, "we simply didn't need them."

Physicist says he does not intend to lead dissidents

Sakharov pooh-poohs Star Wars

WASHINGTON. — Soviet dissident physicist Andrei Sakharov has said he does not intend to lead the dissident movement in the Soviet Union, in an interview with four U.S. newspapers published yesterday.

He said that his health and age would oblige him to limit his future activities to defending a few friends in prison and that he wanted to spend more time on his scientific work.

Asked what he thought of President Ronald Reagan's "Star Wars," he said he did not believe it was militarily viable. But he called the Soviet position at the Reykjavik summit demanding that Washington drop its research into the programme as a condition for any arms control agreement "completely illegal and ungrounded."

In the interview, given simul-

aneously to *The New York Times*, *The Washington Post*, *The Chicago Tribune* and *U.S. News and World Report*, Sakharov said his hunger strike in June 1984 had left him "in a very bad condition."

He said the Soviet dissident movement had weakened. "The ranks of the Moscow dissidents have thinned — I am not the commandant of an army."

Sakharov said three factors had played a vital role in his release: the international campaign on his behalf, domestic political changes in the past five years and, most importantly, the Soviet desire to remove an obstacle to scientific cooperation with other countries.

"Academies throughout the world and scientific organizations made their participation conditional on my release," he said.

On "Star Wars," he commented, "A potential enemy with highly developed technology can always find a means to overcome space defences" and these counter-measures "are much easier and cheaper than creation of the space defences."

On his eventual desire to emigrate, the Nobel Peace Prize winner said, "In principle, I had agreed to emigration at the invitation of the Norwegian parliament." But at present "I see an opportunity of trips to the West — not emigration, but trips with a return," he said.

In Bonn, the news magazine quoted a Soviet fellow-dissident as saying the Soviet authorities released Sakharov because they feared he would start a new hunger strike.

Historian Roy Medvedev told the magazine *Spiegel* that the Kremlin was unsure about the state of

Sakharov's health. He had refused to submit to medical examinations because previous consultations with doctors had been secretly filmed and used in the West for propaganda purposes.

"After Marchenko died the (Communist) Party could not run the risk of a dead Sakharov on their hands and the resultant international outcry," Medvedev told *Spiegel* in an interview released ahead of its publication today.

Anatoly Marchenko was a prominent dissident who died in a labour camp last month after spending most of the last 20 years in jail on charges of anti-state activities.

Bonn's Foreign Minister Hans-Dietrich Genscher has said the Soviet decision to let Sakharov return to Moscow is a sign of "a new leadership" in the Kremlin seeking "new directions." (AFP, Reuters)

Australian commission urges steps against ex-Nazis

By ERNIE MEYER
Jerusalem Post Reporter

The Australian government recently released the findings of a commission set up to determine whether suspected Nazi war criminals had entered the country after the war, and to recommend steps for dealing with the issue.

The commission was set up in June and is headed by Andrew Menzies, a retired senior government official. The Menzies report lists 70 individuals suspected of war crimes and urges that action be taken against them.

Menzies has also recommended that Australia set up an office along the lines of the Office of Special Investigations (OSI), which has operated within the U.S. Department of Justice for more than seven years.

Australian law, unlike U.S. law, states that a person who has held citizenship for more than ten years cannot be deported, although he can be extradited. Menzies has called for an amendment to the 1945 War Crimes Act, which would allow for

prosecution in cases where either deportation or extradition is not possible. This despite the fact that the alleged crimes were committed outside Australia and before the passage of the 1945 law — a position again different from that in the U.S.

In 1961 the Australian government turned down an extradition request by the Soviet Union for Ervin Viki, an Estonian accused of war crimes. The thinking at that time was that Australia should allow this type of person to make a new start in life in his new adopted home.

Menzies has strongly urged his government to change its attitude, according to Ephraim Zuroff, the director of the Jerusalem office of the Simon Wiesenthal Centre.

FLOODS. — Floods that swept large areas of southern and central Iran since late last month have killed over 230 people and caused damage estimated at 120 billion rials (\$1.5b.). Prime minister Mir-Hossein Mousavi told parliament in Tehran yesterday.

Wind blows train from bridge

TOKYO (AP). — Six train cars were yesterday toppled by a gust of wind and plunged 41 metres from a bridge onto a house and factory, killing six people and seriously injuring six others in southwestern Japan, police said.

The cars fell shortly after the special excursion train had dropped off 180 passengers at a nearby station. It was preparing to turn around to pick them up for the return trip when it tumbled off the bridge, Japan National Railways officials said.

A police official quoted Yuji Koniya, 39, the motorman, as saying his diesel engine car stopped suddenly and when he looked back, he saw no train cars.

The 310-long bridge links two hills near Hamasaka, on the Japan Sea coast 300 kilometres west of Tokyo.

The police official said five of the dead and three of the injured were in a crab processing plant under the bridge that was destroyed in the accident.

Festive gunfire banned

AMMAN (Reuters). — Jordan's prime minister has ordered a new crackdown on festive gunfire, which all too often makes tragedies out of happy family events like weddings. Police say two people were killed and 56 were injured in 82 wedding gunfire incidents in the first nine months of this year.

IN BRIEF

French rail strike sets a record

PARIS (AFP). — France's national rail strike yesterday went into its tenth day to become the longest public sector stoppage since the general strike of May 1968.

Prime Minister Jacques Chirac Saturday decided to cancel his winter holiday to deal with the growing wave of industrial unrest, in which the country also faces stoppages in the new year by the gas and electricity utilities and by the Paris subway and bus services.

Death toll mounts to 7 in ski resort blast

GARMISCH-PARTEN-KIRCHEN, West Germany (AFP). — Police here said yesterday that all victims of a gas explosion at a luxury hotel in this Bavarian ski resort Saturday had been found and that the toll of seven dead and 12 injured was definitive.

Four of the injured were in critical condition, however, and most of the 12 were suffering from burns or from injuries caused by falling masonry, a local hospital spokesman said.

Blind Lebanese get corneas for Christmas

BEIRUT (Reuters). — Six blind Lebanese recovered their sight after receiving cornea transplants as Christmas gifts, the Lebanese eye bank said yesterday. A 35-year-old man from Ain Unub, southeast of Beirut, and a 26-year-old woman from Baalbek each received one of two eyes bequeathed by a Lebanese widow.

Jemayel sets terms for helping Shi'ites

ABU DHABI (AP). — Lebanese President Amin Jemayel was reported yesterday to have offered to support a Shi'ite Moslem offensive against Palestinian fighters in Lebanon in return for concessions from his Syrian-backed political rivals.

The United Arab Emirates newspaper *Al-Itihad* said the offer marked a "dramatic shift in alliances."

It quoted unidentified sources close to Jemayel, a Maronite Catholic, as saying the President offered to send Christian army units to back Amal, the military arm of Lebanon's mainstream Shi'ite community, if Moslem cabinet members end a boycott they imposed on him and mediate a reconciliation with Syrian President Hafez Assad.

The Moslem ministers, including Prime Minister Rashid Karami, a staunch Sunni Moslem ally of Syria, boycotted Jemayel after he torpedoed a Syrian-sponsored agreement among militia chieftains to end the country's civil war, now nearly 12 years old.

Assad has been at odds with Jemayel since he vetoed the pact signed December 28, 1985, by Amal chieftain Nabih Berri, Druse leader Walid Jumblatt and Elie Hobeika, then commander of the Lebanese Forces Christian militia.

"Jemayel asked that the Amal movement pave the way for holding the long-awaited Lebanese-Syrian summit as a precondition for his support for its militiamen in their war for control of Palestinian refugee camps in Lebanon," the newspaper said.

Jemayel has been accused of backing PLO Chairman Yasser Arafat

and facilitating the return of PLO fighters to Lebanon after they were driven out of the country by Israel's 1982 invasion.

Al-Itihad reported that Jemayel, who had earlier refused to make any concession to Lebanon's Moslem community, has agreed to certain political reforms to revive Syria's initiative in Lebanon, including abolishing "political sectarianism, expanding the powers of the cabinet and seeking the help of the Syrian forces for preserving order in Lebanon."

Iraqis say 67 died in hijack crash

BAGHDAD (Reuters). — Iraqis yesterday said that 67 people were killed in an Iraqi Airways Boeing 737 which crash-landed in Saudi Arabia on Thursday after an aborted hijack attempt.

Newspapers published a list of names, including those of two would-be hijackers, reportedly carrying Lebanese passports, issued by the official Iraqi News Agency.

With the exception of two Iraqis, all appeared to have been citizens of Arab countries.

The airliner plunged nearly 10,000 metres and crash-landed in flames at Arar in the Saudi desert near the Iraqi border, after a mid-air gun and bomb fight between hijackers and security guards.

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The Har Nof Administration, Jerusalem, announces that an

Amended Voters' Register Will Be On Display

at the Administration office, and that the final date for appeals against the Voters' Register has been extended to Tuesday, December 30, 1986 at 7 p.m.
Elections to the Neighbourhood Administration will be held at the appointed time — Tuesday, 5 Tevet 5747, January 6, 1987. Further details at the Administration office, Tel. 533986.

Y. Karmontsky, Adv. V. Sivan, Adv. G. Holtzer, Adv.
Members of the Har Nof Elections Supervisory Committee

EC plan for W. Bank offends no one

By ASHER WALLFISH
The European Community opened a new chapter in its Middle East policy last October when it announced new measures for the benefit of the Palestinians in the West Bank and Gaza Strip.

But the significance of these measures lies less in their substance than in their style.

One of the measures is financial aid, worth some \$4 million in 1987, which will be spent on small enterprises capable of creating more jobs, vocational training, municipalities, universities, colleges and so on. The agreements on such aid will be negotiated directly with the local Palestinian bodies responsible, the European Community decision of October 27 said.

Another measure grants products from the territories the same trade benefits enjoyed by goods from Israel, Jordan and the North African states. Industrial goods may enter the EC customs-free. Certain agricultural products will now enjoy preferential treatment, the decision said.

Claude Cheysson, the commissioner in charge of Mediterranean policy, was quoted in an official EC press release as saying: "The European Community, by this decision, underlines the importance which it attaches to the fate of the Palestinian population in the occupied territories. The measures taken, which remove an anomaly I always deplored, should make it possible to ameliorate the economic and social situation of that population."

Israel, Jordan and Egypt have all said, albeit unofficially, that they can live with the New European measures on behalf of the Palestinians in the areas. The reaction of all three countries is thought to imply that they do not regard the measures as more than a fig-leaf.

Two even more unkind descriptions of the measures, which I heard used in Brussels, nerve-centre of the EC, were "conscience-money" and "anti-terror insurance." These descriptions were perhaps a trifle sarcastic.

For all the political motivation behind the measures, EC officials do not want the aid to the Arabs in the areas to be given a dramatic political connotation by critics in Israel or elsewhere.

EC officials assured me in Brussels: "The West Bank and Gaza aid programme of October 27, 1986, would not be interpreted as a call for a Palestine Arab state. The political commitment of the European Community is solely to Palestinian self-determination."

Brussels bureaucrats, genially nicknamed Eurocrats, point out that they did not and would not seek "permission" from Israel, Jordan and Egypt for the West Bank and Gaza projects. But they sometimes do speak of receiving the countries' "blessings."



Claude Cheysson. (Sven Nackstrand)

The PLO, too, gave the projects its "blessing" with good reason.

Cheysson, the EC commissioner whose bailiwick takes in the Third World, the developing countries, the Mediterranean, the Middle East and more, meets PLO chairman Yasser Arafat in Tunis and elsewhere every so often.

A former French foreign minister, Cheysson can use the EC to foster goodwill for his country's interests in the Arab world.

I was told that "the PLO never advises the EC which Arab figures and institutions in the areas to address, and which not to address. At the same time, the PLO has in the past advocated projects such as the construction of a port in Gaza."

The Gaza port idea, said to have originated with UN officials, would win some limited assistance from the EC, if and when it got off the ground, according to Eurocrats.

Jordan's Crown Prince Hassan, who received Cheysson on his last swing through the Middle East, reportedly complained to other interlocutors later - according to an Arab source I approached - that the EC initiative was "not

helpful to Jordan's interests in the occupied areas."

On Palestinian questions, Jordan is disappointed with Western Europe in general and with France in particular, my Arab source told me. Jordan is in fact said to have a lower opinion of the Middle East policy of France than of most EC members.

When I asked an EC official to react to the suggestion that the community's aid to the areas was "a fig-leaf," he went off at a tangent, saying: "The EC has an interest and a responsibility to ensure that the economic situation in the West Bank and Gaza does not deteriorate further."

His statement could easily be taken as betraying an ignorance of the economic situation among the Arabs concerned.

Israel's ambassador to the EC as well as to Belgium, Yosef Hadass, told me that he had advised EC leaders not to raise the expectations of the Arabs in the areas, in view of the limited financial means they could make available.

"European policy, in Arab eyes, has often been restricted to empty declarations, and so the community would do well to forestall another such critical opinion now over its new policy," Hadass said. "I told them just that."

Hadass continued: "The arrangements that relate to the export of West Bank and Gaza goods to Europe via Israel will need Israel's approval as the legally responsible power. Hence I have suggested that the EC send a representative over to Jerusalem, to see how the export arrangements could be determined. I await their answer."

Eurocrats, when they speak frankly, see their biggest Middle East worries outside the occupied areas. One official warned: "Israel's Western [sic] neighbour is sitting on a keg of dynamite."

Despite this gloomy prediction, the official commented, both the EC as a body and its member states separately, appear to respond far less generously to Egypt's calls for aid than the need would warrant.

It is realized in the EC that economic and monetary reforms in Egypt are lamentably overdue. Egyptian exports do not include much more than oil, with its much diminished revenues, as well as small quantities of cotton yarn, cotton cloth and potatoes.

In Brussels the state of the Syrian economy is also openly described as "desperate" and "paralyzed by the state bureaucracy." A Syria that imports so much of its food should no longer continue to spend so much of its meagre revenue on defence, especially since the subsidies it used to receive from other Arab states have shrunk so much.

Post Knesset Correspondent Asher Wallfish recently participated in a seminar on the European Community in Brussels, sponsored by the Friedrich Naumann Foundation of the West German Liberal movement.

DAVIS CUP

Cash the magnificent

MELBOURNE (AFP). - The magnificent Pat Cash emerged as Australia's hero with a storming fight-back to enable his country to wrest the Davis Cup from holders Sweden here yesterday.

The 11,000 capacity Kooyong Stadium erupted in a full-throated roar of emotion as Cash smashed the ball past Sweden's Mikael Pernfors to give Australia an unbeatable 3-1 lead.

Cash hauled himself back from the brink of defeat after being two sets down in the first of the reverse singles to beat Pernfors 2-6, 4-6, 6-3, 6-4, 6-3 in three hours 27 minutes.

Neale Fraser, Australia's non-playing captain who is now unbeaten in four finals since he took charge 17 years ago, gave full credit for the team's victory to 21-year-old Cash.

"He has to contribute so much more than any of the others. The manner in which he played out there, I think we've got to say that it was his tie. I can't recall anyone winning in a Davis Cup final after being two sets down," Fraser said.

The result ended Sweden's hopes of becoming the first country to win the Davis Cup three years in a row, since the challenge round was scrapped in 1971.

With Australia assured of winning the Cup, the second reverse singles, between Sweden's Stefan Edberg and Australia's Paul McNamee, turned into a dead rubber and was reduced to the best of three sets.

Edberg won 10-8, 6-4.

The win was Australia's 26th Davis Cup victory. Cash said Pernfors, the first two sets was "the best player I've ever played against." He added, "The way he was playing, I could only keep hanging in. I told myself he couldn't keep up that pace."

Cash, already tired by the gruelling opener with Edberg on Friday and the hard fought doubles victory on Saturday, dug into his reserves of

strength to come back into the match in the third set.

He said, "It was very tricky and windy out there. I started serving a lot better. I served the last three sets better than any in the last three days."

A stentorian voice in the stands bellowed at the start of the third set, "All we need is a miracle."

The miracle began to look possible in the fourth game of the third set when Cash broke Pernfors' serve after this year's French Open finalist had tired and committed a series of double faults. Cash went on to win the set 6-3.

Cash broke Pernfors' serve in the first game of the fourth set but afterwards games went with serve until a grueling duel developed in the seventh game.

The score levelled five times at deuce with Cash saving his shot well and changing the pace. Pernfors just held his serve in the seventh game after a great battle but Cash went on to win the set 6-4 and level the score at two sets all.

Cash broke Pernfors' serve in the fifth game of the final set by dominating the net and volleying in match-winning style.

The Australian cheer squads in the stands drowned out the highly vocal flag-waving Swedish supporters. Cash went on to take set and match 6-3.

Pernfors, who levelled the scores on Friday by winning the second singles against Paul McNamee, said afterwards, "I think I played just as well through the whole match, but he raised his game."

Asked if he was disappointed with the result, the Swedish player said, "Considering the way I played, it was not such a disappointment that he played so well."

Cash said, "It was the best comeback I ever played. I guess it did more than ever before, but I did not play my best tennis."

Admitting that he had slept only three hours the previous night because of the nervous pressure, the Australian said he thought that he played better when he beat Nystrom in 1983.



TRIUMPH. - Pat Cash soars into the sky after smashing the winner past Mikael Pernfors. (Reuters)

TEL AVIV. - Amos Mansdorf opens his challenge today at the \$90,000 Nabisco Grand Prix tennis tournament in Adelaide, his first outing since winning the \$300,000 South African Championships five weeks ago.

Mansdorf is seeded second in the tournament behind Ramesh Krishnan of India.

CRICKET

England take Ashes with innings win

MELBOURNE (AFP). - Mike Gatting became only the fourth England captain to retain the Ashes in Australia this century, as his team completed a total humiliation of the old enemy inside three days here yesterday.

At the Melbourne cricket ground, which saw the birth of Test cricket in 1877, England took an unbeatable 2-0 lead in the series by winning the fourth Test match by an innings and 14 runs.

They dismissed Australia for 194 in their second innings with 101 minutes of the day's play still remaining.

Not since the first Test at this same venue in 1901-02, when they triumphed by an innings and 124 runs, had England won a Test in Australia within three days.

The last time Australia suffered defeat with more than two days remaining was in Barbados in 1978, when the West Indies won by nine wickets.

Gatting could not contain his delight at having retained the Ashes after his team had been dubbed as "underdogs" at the start of the series.

"I thought all along that we could do it, and the boys have stuck to their task magnificently," he said.

So a year that began in such desperate fashion for England - they were thrashed 5-0 in the series in the West Indies and continued with home series defeats by India and New Zealand - ends in triumph.

Some have seen this current series as "the battle for Test cricket's wooden spoon," but England will hardly be concerned about definitions, after leaving for Australia without a win in eleven Tests.

The three other captains before Gatting to win a series in Australia are Percy Chapman (1928-29), Len Hutton (1954-55) and Mike Brearley (1978-79).

In addition, Gatting is only the third England skipper, after J.W.H.T. Douglas here in 1911-12 and Gatting's predecessor David Gower at Edgbaston in 1985, to win a Test after putting Australia in to bat.

For the despondent Australians, the situation looks desperate.

Deprived of first choice players because of the current rebel tour of South Africa - where former Test captain Kim Hughes' sports boycotters are also finding the going tough - things looked to be picking up when they drew in India. But morale must be at a very low ebb after today's capitulation. Heads could well roll for the fifth Test, which starts in Sydney on January 10.

Gladstone Small's seven wickets earned him The Man of the Match award. Edwards took 3 for 45, and Embury 2 for 45.

Afterwards, Border remained composed, despite the fact that his record as Australian captain now shows nine defeats, a tie, 12 draws and only three wins in 25 tests.

Unlike his predecessor, Kim Hughes, who resigned in tears in similar circumstances two years ago, Border kept his cool.

"I think I'm getting a bit used to disappointments, so I don't feel so bad. As the day slipped away from me, I steeled myself to it," he said. "I'm determined to see it out and hopefully things will get better. We are doing so many little things badly and that's disappointing, because I know the talent is there. We shouldn't be playing this badly with the talent we've got."

Border said he felt that Australia had gone into the match with the wrong line-up.

"We made an error in judgement with the batting by going in with only four specialist batsmen and we paid the price," he said.

Gatting said he felt Australia had erred by leaving Greg Ritchie out and that relying on "bits and pieces players" had severely affected Border's chances of winning back the Ashes.

He said that England won on ability. "I think the most significant aspect is that our openers Chris Broad and Bill Athey managed to get us off to some magnificent starts," said Gatting.

Australia 141 and 194, England 349, England won by an innings and 14 runs.

Very little play was possible yesterday, owing to rain, in the match between India and Sri Lanka. Sri Lanka were 204 all out and India are 54 for 1. In Johannesburg, South Africa beat the rebel Australians by 49 runs in the first unofficial Test. S.A. 254 and 142, Rebels 142 and 245.

'One in every four women likely to be raped'

By LEA LEVAVI
Jerusalem Post Reporter

One out of every four women alive today is likely to be raped at some time in her life, a senior social worker said during a recent study day at Bar-Ilan University.

"The statistics I give come from American sources, but they are no less true for Israel," said Dr. Joyce Rosman Brenner in an address to social workers being trained to counsel rape victims. Brenner chairs the committee on women's status of the Social Workers' Union, and teaches in a post-graduate social work programme that Yeshiva University operates here.

"Israeli men equate manliness with the number of women they've bedded," she said. "They have a conquest mentality and do not take 'no' as a serious answer."

Israeli boys need to be educated differently about sex, she maintained. As for girls and women, fear

of rape influences their lives profoundly. "I don't tell my daughters every day, 'Be careful or you'll get raped,' but I do tell them not to talk to strangers and not to go into the park alone, and I also tell them to dress appropriately when they go into town."

She added that the findings of a recent Na'amat survey, where more than half the respondents - men and women alike - thought women provoked rape by their behaviour or appearance, were frightening to her. "Unfortunately, therapists who work with rape victims are not always free of these stereotypes themselves, and that will affect the kind of counselling they give," she said.

Dealing with the trauma of rape, Brenner said that contrary to some assumptions, recovery was complex and frequently lengthy.

"Sometimes a woman can come for counselling five years after the trauma because she's suffering from

nightmares, sleeplessness, phobias or other delayed reactions. A therapist who doesn't understand the syndrome will think such a woman is obsessive and over-reacting."

She divided the syndrome into three main stages: initial disorganization, outward adjustment, and reorganization.

The first stage may last for a few days or weeks after the rape. "Some women as if they have lost a loved one. What they have lost is part of themselves." One of the strong reactions at this stage is a feeling of being unclean. "When we finally convinced one woman to go to the police, and the police sent her for medical examinations, there was no evidence left because the first thing she did was take a hot bath to try rid herself of the feeling of being 'dirty'."

Many women come for counselling only during the second stage of outward adjustment, when they

have returned to most of their daily routine and seem to outsiders to have recovered from the experience. "Symptoms that seem to have been 'cured' come back later in treatment."

The final stage involves coming to terms with the experience, and no longer being haunted and deeply disturbed by it.

Although it is the rape experience that brings the woman to counselling, past relationships with men - particularly with the father - often surface as relevant to the way a woman recovers from rape, Brenner said.

Women therapists must work through their own feelings of vulnerability when they counsel rape victims, she said. As for male therapists, their tendency is to become over-protective. "They have a great need to prove that they are not part of that two-thirds of men capable of committing rape," she explained.

Jewelry and juice 'fresh from the farm'

Sweatshirts and wooden closets, moccasins and office supplies - and the stands are manned by kibbutzniks: young women, elderly men, bearded types who look like they've



Robert Rosenberg

just left the cow shed or would be more at home on a tractor.

Kibbutzniks with public relations ladies who represent the archetypal Tel Aviv marketing method, selling meat from Mizra and those terrific wines from the Golan: kibbutzniks in the big city: right in the heart of the official "heart of Dizengoff."

The entire affair wouldn't be complete without a booth offering subscriptions to *Al Hamishmar*, the Kibbutz Ha'artzi movement's newspaper.

But even the spillover customers, those who can't find room in front of the moccasins booth and find themselves, rather, before the *Al Hamishmar* booth, don't ask the small grey-haired man selling subscriptions to the paper how much it costs. Instead, they head for the hot dog stand across the aisle.

The kibbutzniks aren't there to push the kibbutz idea, though one booth offers educational material on the kibbutz, including videotapes.

They are pushing their products, and except for a few, these are consumer goods, items one can find on sale, retail, an escalator ride away inside the mall.

The crowds are almost as bad as at the Carmel Market. One moves slowly, swimming upstream. And then, without warning, a hawk of Kodak film rushes up to snap a picture which will be thrown into a big box with hundreds of others and maybe you'll be the lucky winner of a flight abroad or a roll of film. The photographers are deliberately vague about what will happen to the snaps later.

The schoolkids are out in force. Last week they were in the school auditorium playing with matches while waiting to light candles struck in heavy doughnuts.

This week they'll fill the mall, standing for hours in shops that sell stickers and posters and erasers.

Parents impatiently tap their toes, watching the crowds, trying to control children more interested in computers and dolls than in erasers that can be bought on a NIS 10 monthly allowance.

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The New York Times

WEEKLY REVIEW

Printed and distributed
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The Jerusalem PostA Week No Less Painful
Than Its Recent Predecessors

By R.W. APPLE Jr.

WASHINGTON — It was a splendid Christmas present — perfect in its timing, perfect in its fulfillment of national longings — the sight of the frail aircraft known as the Voyager settling backwardly to earth in California last Tuesday after a nine-day circumnavigation of the globe, an epic journey that bore the stamp of Lindbergh and Magellan.

In a season of optimism thwarted, of pervasive dissatisfaction and uncertainty, the flight of the Voyager seemed all the more remarkable. A President in whom a whole nation had invested so much hope and who had seemed to repay that hope with a restoration of public purpose and pride, found himself embattled, his Administration all but paralyzed, by a controversial policy made worse by the uses to which it was put.

At the same time, the two other great powers in the

world found their authority challenged — the Soviets by riots in the Central Asian Republic of Kazakhstan against the imposition of authority by the far-off ethnic Russians, the Chinese by demonstrations in Shanghai and Beijing itself against the slow progress in implementing reform.

Things have gone badly for President Reagan since the disclosure of arms shipments to the Iranians — they who so bedeviled Jimmy Carter and contributed so much to Americans' need to believe in themselves again — and the clandestine diversion of some of the profits to the contra rebels in Nicaragua.

Last week was no less painful for the President than its immediate predecessors, even with the lift provided by the Voyager's triumph and by a Christmas shared with old friends from more upbeat days.

Mr. Reagan was unable to find a strategy that offered any promise of stilling the winds of controversy, and one senior Republican senator said candidly that he and his advisers did not know "what the devil" they

should do. Even more reluctant than most Presidents to dismiss those who have served him loyally, Mr. Reagan could not bring himself to ask for the resignation of Donald T. Regan, his chief of staff, although many prominent politicians in his own party and almost everyone outside it has been saying that Mr. Regan's departure is a minimum first step toward restoring Presidential credibility.

Nor could Mr. Reagan break the impasse that has prevented the full disclosure of details of the Iran-contra affair — the invocation of Fifth Amendment protection against self-incriminating testimony by Vice Adm. John M. Poindexter, the former national security adviser, and Lieut. Col. Oliver L. North, his onetime aide. Congress refused to grant the pair limited immunity, the President refused to pardon them as the price of cooperation, and there the matter obstinately stood.

Meanwhile, the National Security Council, the advisory and coordinating body converted into a bureau of activists to run the Iranian and contra projects, was in a state of upheaval as its incoming director, Frank C. Carlucci, worked to reduce its size and improve its professionalism. And there was ferment on the political front as well, with Vice President Bush, who has allied himself closely with the President, acknowledging that the arms-sale crisis had hurt him so badly that he was no longer the front-runner for the 1988 Presidential nomination, that his main rival, Senator Bob Dole of Kansas, the outgoing majority leader, was moving toward the lead.

Perhaps the most damaging events for Mr. Reagan centered on the Director of Central Intelligence, William J. Casey. It was reliably reported that he had not recovered all normal brain functions following surgery for a malignant tumor 10 days ago, a situation that cast doubt over his ability to resume his duties. Moreover, Mr. Casey was reported to have written a memorandum in 1985 describing the transactions with Iran explicitly as a trade of American weapons for American hostages.

If the deal became public, Mr. Casey is said to have written, Mr. Reagan could portray the secret negotiations not as a trade but as a diplomatic opening to Tehran — exactly how Mr. Reagan did portray them when they did become public. The memo came dangerously close to making all of the President's protestations of innocence look like a perjured cover story.

A Bracing Clarity

As almost ever in the modern world, the dispatches from Alma-Ata, from China and from this capital were complex, full of strange names and stranger causes. But the news from Edwards Air Force Base had a bracing clarity about it: a man and a woman had flown an airplane, first sketched by the man's brother on a paper napkin, through tempest and darkness, without refueling, without all of the technological underpinning that robs so many present-day feats of their human drama, had flown their little homemade aircraft clear around the Earth.

That meant something to all the 40- and 50-year-olds who remember struggling with balsa wood and dope to build model planes, to all who chafe at big organizations and big government, to all who wonder, as did a Midwestern grandmother last week, before the Voyager caught the nation's attention, "Why can't we ever do things right, no-matter whom we choose as President?"

The point was not that the plane had flown a long way, or even that it had been a punishing experience for the pilots, Dick Rutan and Jeana Yeager. The point was that in an era of Brobdingnagian government and business and education and technology, Mr. Rutan, Miss Yeager and Mr. Rutan's brother, Burt, had done it almost alone, with no government help and little corporate support. They sent a thrill up the nation's spine because they evoked memories of the legendarily inventive Yankee tinkers and of the improbably brave Western pioneers — memories, in other words, of the days when it was easy to tell heroes from villains.

Americans, for better and for worse, have always craved such clear-cut distinctions, and much of the uneasiness of the 60's and the 70's stemmed from their scarcity. Ronald Reagan had seemed, until this fall, to have restored to the White House and thus, by example, to the country at large, a certain smiling rectitude; his worst enemies in Washington were given to admitting that nobody could dislike him, whatever one thought of his policies. He displayed a kind of Old Testament wrath against the air-controllers and the Libyans, and people liked that; he acted without embarrassment as mourner-in-chief at times of tragedy like the destruction of the Challenger space shuttle.

Now the New Year, and Ronald Reagan's last two years in office, will begin in confusion and doubt, with a resurgent Democratic party in charge on Capitol Hill, with months of Congressional investigation in prospect and with arms-control negotiations, once so urgent a priority, shoved well down the agenda. Little wonder, then, that the triumph of the Voyager, however transitory, cast so bright a midwinter light.

African nations
struggle to make
television their own

3

Political Reform Is Necessary — But Not Pressing

China Peeks Warily Past
The Open Door to the West

By EDWARD A. GARGAN

BEIJING — SINCE the 19th century, Chinese scholars have been debating how to preserve their country's "Chineseness" while at the same time embracing Western science and technology. Some Confucian scholars used to argue that Western scientific knowledge was only a tool that could in the end be used to strengthen traditional values. But others insisted that opening the doors would inexorably erode and destroy the Confucian ethos.

Last week, as tens of thousands of students marched through Shanghai's narrow streets shouting slogans for democracy and freedom, the dilemma facing China's leaders was much like the one that had troubled Confucian traditionalists. For as China methodically opens itself, creating an economic landscape akin to the West's, intellectuals are asking: Can the political principles that nourish Western economies be far behind? And if so, what does that entail for the Communist Government and its political values?

For months, academic journals, the party theoretical organ and newspapers have been printing articles discussing the need for political change. China's senior leader, Deng Xiaoping, has said that reform is a necessary — albeit not pressing — component of modernization. Indeed, he has said that national elections may be 30 years away.

"Democracy means that the people enjoy the free and equal right to vote, and freedom of speech, the press, assembly, association, procession and demonstration," a paper by the Communist Youth League argued early this month. "Democracy is the opposite of autocracy." Then, after suggesting that the calamity of the Cultural Revolution — Mao Zedong's brutal effort in the 1960's to invest every element of life with political meaning — was caused by an autocratic system, the paper concluded, "One of the important ways to avoid the recurrence of a catastrophe is to institute and perfect an effective mechanism to restrict power in the political structure while fully developing the people's political participatory mechanism."

That such a clear challenge to the system can be published by a Communist youth organization demonstrates both a process of liberalization and a broader disenchantment with the structure of government.

out political structural reform, but we cannot be reckless and overanxious. We must handle things in an orderly way under systematic leadership from top to bottom, and no one can go his own way without the permission of the higher authorities. We must not rush headlong into mass action."

But for the students, changes that trickle down from the top are too slow and inadequate. In Hefei, they attacked the system by which party officials designate who will be elected to the local party congress, a sort of provincial legislature. Thousands marched under banners calling for greater democracy, and wall posters quoted the Gettysburg Address — "government of the people, by the people, for the people." The authorities capitulated, the election was postponed and the students were permitted to nominate their own candidates.

Change in Tack

By then, demonstrations were erupting in cities all over China, with calls for greater democracy as the rallying cry. In Shanghai, more than 50,000 students took to the streets. Clearly caught off guard, the Government waffled for days before clamping down. Still, smaller marches continued and even in Beijing, which had been uncharacteristically quiet, several thousand students marched. While the Government at first labeled the demonstrations legal, hailing "enthusiasm for political reform," their persistence, growth and relentless spread rapidly prompted a change in tack. The authorities began branding them a dangerous threat to "unity and stability."

In a blizzard of newspaper editorials and television interviews with professors, the message was driven home that order and discipline must be maintained. Nearly all commentators sought to link the demonstrations to the rampages of radical Red Guards during the Cultural Revolution. On Christmas day, a front page editorial in the People's Daily stated that all political reforms would be conducted under the leadership of the Communist Party.

Mr. Deng and his colleagues may indeed be intent on changes that will result in greater freedom of expression and the press and other democratic rights. But the official reaction makes clear that both the timetable and the scope of change will be decided by the party, which intends to maintain its firm grip. For the leadership, the message is clear: The party must remain the center of power.

Howard Beach

Not So Simple
As a Lynching

AN incident of racially motivated violence that at first seemed as brutally simple as a lynching, to which Mayor Koch compared it, took a twist last week that threatened to heighten the bitterness surrounding it even while jeopardizing the case against those accused of committing it.

Three black men from Brooklyn, afoot late at night after their car broke down in predominantly white Howard Beach, Queens, were set upon by a gang of white youths who shouted racial epithets and beat them with baseball bats and fists. One of them, Timothy Grimes, escaped with slight injury. Two others, Cedric Sandiford and Michael Griffith, were chased for blocks and repeatedly beaten.

Mr. Sandiford, 36 years old, and Mr. Griffith, his 23-year-old stepson, finally got away by crawling through a fence and onto Shore Parkway. As Mr. Griffith tried to cross the highway, he was struck by a car and killed.

Within days, three white youths, Jon L. Lester, 17, Scott Kern, 17, and Jason Ladone, 16, were arrested on charges of second-degree murder in the attack, which Mayor Koch called "the most horrendous incident of violence in the nine years I have been Mayor." Civic and religious leaders expressed similar sentiments and tried to calm frayed nerves.

On Christmas Eve, however, aides to the Queens District Attorney, James Santucci, said Mr. Sandiford was not cooperating with prosecutors. Mr. Sandiford's lawyer, Alton Maddox, said his client failed to appear to identify suspects in a lineup because his vision was still impaired from the beating.

A day after Christmas, however, Mr. Maddox called a news conference at which he asserted that the driver of the car that struck Mr. Griffith had been part of the gang that attacked the three men. Mr. Maddox said the driver, Dominick Blum, a 24-year-old court officer and the son of a policeman, had been released without charges "to protect the police and to insure that no one will suffer conviction for a charge more serious than assault."

Police said their investigation showed that Mr. Blum had not been involved in the attack and was not acquainted with those who were. "If they don't arrest Blum, there is no point in our being involved," Mr. Maddox said. Mr. Santucci said Mr. Sandiford's refusal to cooperate "is a setback to prosecution."



A Voice From Nairobi African Nations Struggle to Make Television Their Own

By JOSEPH ODINDO

AFTER watching a battery-powered television set at the local school, villagers in the Ivory Coast, the West African nation, were asked to comment. A brooding old man inquired: "Why are whites always stabbing, shooting and punching one another?" The baffled elder's question, in the largely traditional village of N'zikpi, might have popped up in any of the two dozen or so African countries that have set up television stations but find themselves without enough programs of their own.

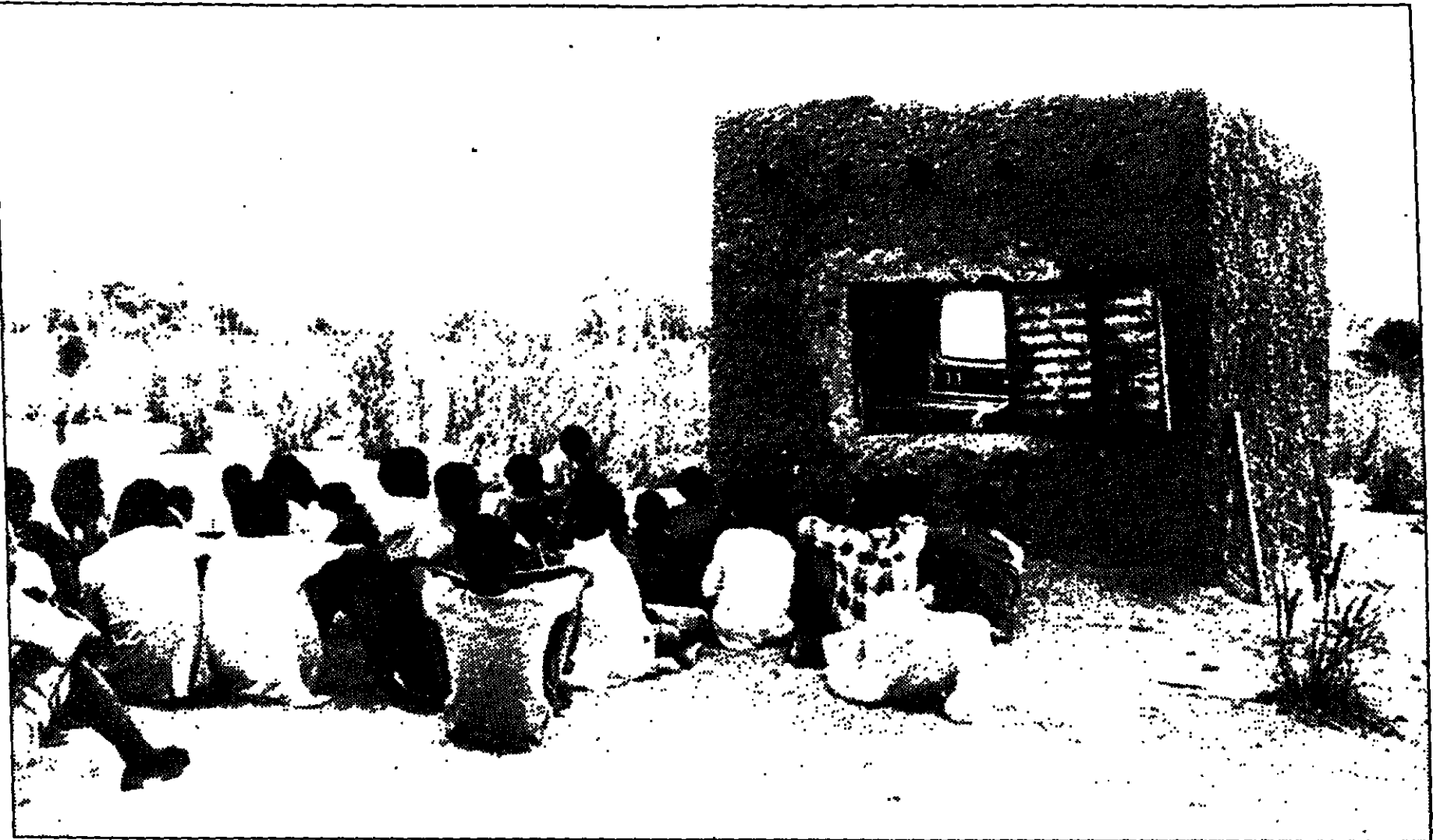
Almost without exception, they have fallen back on Western soap operas such as "Dynasty" and "Dallas," which are easily available but clearly not tailored for a non-English or French-speaking audience unfamiliar with Western notions of entertainment. Result: a cultural conflict that, along with perennial lack of cash and political restraints, hampers the growth of a communications medium with great potential for Africa.

Television is a rich man's toy in most of Africa. It caters mainly to the urban rich and educated elite, who are less puzzled by Western drama than the old man of N'zikpi. Even in the more prosperous black nations, ownership of the picture box remains a distant dream for the majority, in the remote rural areas. Radio remains the ubiquitous source of Government news and views. Kenya, for instance, has only about 150,000 television sets in a population of 17 million, but 12 million Kenyans have access to transistors. Only 25 percent of Nigeria, which established Africa's first station, is covered by television signals.

Low-income African nations can justify television only as a tool of national development — a potent means of changing practices and attitudes — not as an instrument of idle entertainment. Sound and vision have been subordinated to political interests. The quality of entertainment is pitifully low, and most stations are hobbled by shoe-string budgets. Official control makes it impossible for journalists to tackle current affairs boldly. They often work in fear of annoying powerful politicians or their allies. Zaire, which has the most sophisticated TV network in Africa, devotes a great deal of air time to President Mobutu Sese Seko's daily activities and speeches. Zairean television regularly opens with the spectacle of Mr. Mobutu majestically descending from the clouds.

Virtually every issue of a Kenyan newspaper carries letters of protest from viewers angered by shoddy service. Complaints include the many hours devoted to routine speeches by Government officials and songs and slogans of the sole party, the Kenya African National Union, and mediocre drama productions. In the last year, the Government has tightened control, allocating more time to promoting the na-

Joseph Odindo is the television critic of *The Nation* newspaper of Nairobi.



Children watching a solar-powered television set in a rural village in Niger.

Gamma-Liaison/John Chasson

tional philosophy of peace, love and unity.

Ian McLellan of the International Development Research Center has cited a poll that showed most Nigerians think television has failed to meet the challenge of speeding development. Politicians, broadcasters and others interviewed for the 25th anniversary of Nigerian broadcasting felt that the screening of foreign programs had even helped erode the country's culture. Dr. A.O. Faddyabi of Lagos University's Department of Mass Communications said television is something of a reverse Robin Hood, which uses poor people's taxes to entertain the rich.

Africa's fear of cultural pollution is real enough. Following a three-month run in Nairobi early this year of the American pop music picture "Breaking,"

youths donned baggy trousers and sleeveless shirts and permed their hair to resemble the movie's hero, Shabadoo. And like their black American idol, the teen-agers shuffled through the city in a break-dance gait, speaking in a ridiculous New York accent.

Without doubt, prolonged exposure to American, British and French television leaves African viewers better informed about those countries than their own. Fortunately, most African stations are trying hard to increase indigenous programming and are exchanging productions. Musical shows from Cameroon and Congo distributed through the Union of National Radio and Television Organizations of Africa are immensely popular in Kenya. Ivory Coast has produced informal educational programs, which are widely

credited with improving preventive health care and agricultural techniques. And Kenya recently broke away from third-rate studio comedies with a crisply produced romantic drama on teen-age pregnancies. The 14-part series, "Usiniharakishie" — Kiswahili for "Don't Rush Me" — was, however, banned after two episodes following a controversy; some parents regarded its approach to premarital sex as prurient.

Television is a valuable implement in a continent still fighting illiteracy and trying to keep up with the rest of the world. The growing clamor for entertainment and documentaries, which local audiences can identify with, and the earnest effort being made to produce them, holds out much hope. The picture box is certainly here to stay.

Last Week's Legislation Curbs Prosecution of Military



A woman in wooden box, representing cell in which she was held during military repression, protesting outside Congress building in Buenos Aires last week as lawmakers debated military amnesty.

Argentina and Uruguay Pardon Some Old Abuses

By SHIRLEY CHRISTIAN

THERE were noisy, emotional and sometimes violent reactions last week to the enactment of a law that will largely halt prosecutions of Argentine military officers accused of human rights violations.

But more notable, perhaps, was the indifference with which the law was greeted by most Argentines. They were concerned about Christmas and departures to the beach or countryside, so the opposition was left primarily to human rights groups and several small leftist political parties. Some observers here said this may indicate that many Argentines agreed with the military's

hierarchy was silent and the dominant newspapers generally took safe positions. Another justification heard from some civilians was that the military's counterguerrilla campaign of the 1970's was a reaction to public distaste for growing guerrilla violence and that the repression made possible today's relatively tranquil democratic transition.

But it is also conceded that the disappearance of more than 9,000 people represented a response that far outweighed the actual guerrilla threat.

The Peronists, the main opposition to President Raúl Alfonsín's Radical Party, almost unanimously boycotted the legislative sessions in which the new law was approved. But many Argentines have argued that the Peronists were in power when the so-called "dirty war" began and that they supported the acquiescence in the

1973 to 1985 was adopted last week with support from both main political parties. Again, most of the opposition came from human rights groups and leftist parties, the latter of more significance in Uruguay than in Argentina.

While the Uruguayan law is an amnesty and prevents any of the 38 cases now filed from reaching prosecution, the Argentine law basically creates a time limit of 60 days for the filing of new charges. In theory, the law does nothing to interfere with prosecutions now under way, but judicial experts here said they expected the courts to drop all but one or two of the most notorious cases. The law does not alter the sentences already given five former commanders, two of them former presidents; two former Buenos Aires police chiefs, and three other police officials, though there is speculation about an amnesty proposal for them.

In both countries, the military leaders pressured for relief from prosecution, while insisting that they were not threatening coups. In Uruguay, two senators said the army chief, Gen. Hugo M. Medina, had locked in his stronghold the court summonses issued to 14 officers and had said that if the Parliament did not adopt the amnesty the army would defy the courts. The Parliament adopted the amnesty the day the first officer was to go to court.

In Argentina, the army commanders have indicated that they would not hand over for trial lower-ranking officers under their command.

The militaries in both countries have made low-key admissions of error. But they also argued that they acted out of necessity and with broad public backing.

President Alfonsín, who proposed the legislation cutting off the prosecutions, said it was time to incorporate the military into the new democracy. "No one should forget what happened to us," he said. "It is necessary not to forget so that it does not happen again. But I want all of us to understand, all of us to accept, that we can no longer live chained to our decadence."

His Radical Party, a centrist group with civil libertarian roots, has a long history of not collaborating with military governments. After he took office in 1983, Mr. Alfonsín created a commission that documented the extent of the military repression and he set the trial process in motion. But the Radicals have gradually developed relations with the armed forces, arguing that concessions on both sides are necessary to create a reformed, apolitical military.

Argentina's most prestigious newspaper, *La Nación*, argued that the Government had already done more than any in South America in this century to judge the actions of military leaders. But without the law, it added, Argentina would continue "sterilely debating the past," unable to deal with today's problems.

One of the notable exceptions to the generally sanguine view of the new law was that of Guillermo Ledesma, the presiding judge of the Federal Appeals Court, the highest court staffed by career judiciary and the one responsible for the convictions thus far.

Judge Ledesma, who thought the trials should continue as long as the evidence and the statutes of limitations permitted, resigned after Mr. Alfonsín proposed the new law. Talking about the decision as he prepared to leave, he said:

Rebels Switch Sides

Chad Finds Unity In War With Libya

By JAMES BROOKE

FOR the first time in 20 years, Chad's many tribes have suspended their civil war to confront a common enemy: Libya. As recently as this fall, 11 armed factions had been vying for power in the landlocked central African nation, which, in a population of five million, is fragmented into 200 ethnic groups.

The main group of insurgents, recently allied with Libya, turned against its northern neighbor after Goukouni Oueddei, the rebels' leader and former President of Chad, was arrested in Tripoli Oct. 30. He was wounded in a shootout when he resisted. Mr. Goukouni was overthrown in 1982 by Hissen Habré.

Last week, poorly equipped nomadic tribesmen descended from Chad's northern Tibesti Mountains and ambushed a column of occupying Libyan forces armed with Soviet T-62 tanks and Sukhoi jets.

"Qaddafi, by introducing his troops, may have done more than anyone else to forge Chadian national unity," said a Western diplomat in Ndjamena, the capital.

The Libyans have been in Chad since 1973, when Col. Muammar el-Qaddafi annexed the 33,000-square-mile Aouzou Strip, the country's northernmost section. Today, they control many towns in the sparsely populated expanse north of the 16th parallel.

With Colonel Qaddafi in the unaccustomed role of fighting foreign guerrillas instead of subsidizing them, the Reagan Administration this month rushed \$15 million worth of military aid to the guerrillas — three times the amount budgeted for Chad this year.

"After we bombed Tripoli last April, I saw this big demonstration outside the American Embassy," recalled an American aid worker in Ndjamena, the capital. "They were cheering and yelling and asking us to do it again." And a Chadian taxi driver, limping from a wound suffered while fighting the Libyans in 1982, said last week that his major complaint about the Americans was that "your bombs missed Qaddafi."

tity cards to Chadians in the area and built two air bases, one about 75 miles south of the strip.

To justify his move, the Libyan leader turned to one of modern history's obscure footnotes. In 1935, in an effort to woo Benito Mussolini away from an alliance with Nazi Germany, the French offered to cede the Aouzou Strip to Italy, which then administered Libya as a colony. But the French National Assembly never ratified the deal. In 1955, the independent Libyan kingdom signed a treaty with France recognizing the strip as part of the French colony of Chad. But when Colonel Qaddafi came to power, he said he would take the French up on their 1935 offer.

'Useless Chad'

The Chadian tribes have always been hostile to foreign occupiers. The French, who administered Chad as a colony from 1894 to 1960, were never able to pacify the Moslem north, writing it off as "le Tchad inutile" — useless Chad.

In 1966, a year after the last French troops pulled out of the north, the Touareg tribesmen started fighting the new Government and among themselves.

For years, Colonel Qaddafi did not face resistance from the Touareg because he gave them arms. But that changed with the arrest of Mr. Goukouni, who "finally realized he was just a Klenex for Qaddafi," Moumne Togo Hamid, Chad's information minister, said last week.

When the news of Mr. Goukouni's shooting reached Chad, about three-fourths of the 3,000 northern guerrillas turned against Libya. The few renegades who remain loyal to Colonel Qaddafi were under siege last week by the Chadian army.

In the northeast, Chadian troops and French planes reportedly brought supplies to the guerrillas who are trying to hold off the well-armed Libyan forces.

French troops maintain a defensive line across the 16th parallel, effectively cutting Chad in two. Despite the urgings of President Habré, the French have refused to cross the line to attack the Libyans.

With the aid coming in, however, the Chadian forces will no doubt step up their attacks.

The Nation

A New Attack On Standards for Fuel Economy

The President's Task Force on Regulatory Relief, established to make good on Ronald Reagan's promise to "get the Government off the backs of the people," was quietly disbanded in 1983, some said in anticipation of potentially bruising debate in the 1984 elections. This month, it was back in action again with a new mandate: to promote productivity and international competitiveness.

One of its first recommendations, announced last week, is unlikely to be debate-free. Despite strong Congressional support for fuel-efficiency formulas, the panel proposed that the standard passed during the oil crises of the 1970's be abolished.

The Administration has twice eased the standard, rolling it back from 27.5 to 26 miles a gallon, then extending the change to 1988 and 1987 vehicles. Responding to one of six legal challenges to the moves, a Federal appeals court ruled earlier this month that the Environmental Protection Agency had erred in re-



C. Boyden Gray

roactively changing the formulas in a way proposed by the Ford Motor Company and General Motors Corporation. The agency's action would have saved Ford and G.M. millions of dollars in penalties.

The task force says it is concerned about a different kind of loss. Because cars in which at least 25 percent of the parts are manufactured outside the United States do not have to meet the standard, domestic companies "are going abroad, causing the loss of tens of thousands of jobs," said C. Boyden Gray, counsel to Vice President Bush, who is head of the panel. Meanwhile, Mr. Gray said, the "so much more flexible" Japanese are shipping in cars with "more muscle, which is what some consumers are looking for now."

Likely to be next on the agenda of the task force, Mr. Gray said, is regulation of the oil pipeline and natural gas industries.

Disagreements on Welfare Revisions

At least three major legislative packages introduced in the 99th Congress and dozens of recommendations from policy institutes and political caucuses that are out or expected soon have made clear a general agreement that the Federal welfare system badly needs fixing. But the extent of disagreement about how to fix it was also clear last week as a coalition of national organizations came forward with its approach.

Verbatim: Pluses and Minuses

'On the minus side, maybe the President doesn't have the clout that he might have had because he's being attacked on Iran. On the up side, what might ordinarily be a frenzy of denunciation of the President's budget might not be. People might be diverted on something else. Frankly, I think there are a lot of people on the Hill... who are not so comfortable beating up on him on the Iranian issue. And they might arguably be a little more receptive to his proposal and respectful of it, at least to give it a hearing.'

James C. Miller 3d

director, Office of Management and Budget, on the prospects for the budget President Reagan will send to Congress in January.

Like most proposals already aired, the coalition's "statement of principles" emphasized work for welfare recipients. But unlike some plans, notably the Reagan Administration's, the linchpin was the "primary responsibility" of the Federal Government for fighting poverty.

The coalition was organized by the Washington-based Food Research and Action Center and joined by the League of Women Voters, the National Conference of Churches, the National League of Cities and more than 80 other organizations and individuals, including three former Secretaries of Health, Education and Welfare.

It called for "additional investments" in poverty and job programs and urged Washington "to assure a minimum standard of living." Adequate welfare programs would eventually be no more expensive than the existing inadequate ones, the group said, because more welfare recipients could find and hold real jobs.

A plan being reviewed by President Reagan's Domestic Policy Council is also designed to reduce dependency on Government assistance. But it would have the states, not Washington, develop projects to do that. The programs would be paid for with money taken from 59 existing social welfare programs, including food stamps, Medicaid and Aid to Families with Dependent Children, the principal assistance program for the poor.

Both approaches face uncertain receptions on Capitol Hill, where revisions of the welfare system are high on the action list for 1987. Cautious interest has been expressed in the Administration idea, but many legislators are reluctant to give the initiative to the states, and state and local officials fear cuts in Federal aid. The appetite for increased spending—social welfare programs cost Federal and state governments \$150 billion a year—is equally limited.

Greyhound Hands Over the Wheel

After 73 years on the road, during which its "racing dog" emblem became a symbol of American restlessness and mobility as well as of cheap and reliable travel, the Greyhound Corporation is turning the driving over to someone else.

Calling it "the end of an era," John W. Teets, the chairman of the corporation, announced an agreement to sell its domestic bus operations to an investor group based in Dallas. The price, for 3,000 buses, 70,000 miles of routes and 60 percent of the intercity bus market, was \$340 million.

Mr. Teets said he decided to sell when members of the Amalgamated Transit Union, which represents 7,000 drivers and other workers at Greyhound, rejected concessions that would have saved the company \$30 million a year. Three years ago, after a 47-day strike, the union took wage and benefit cuts of 15 percent.

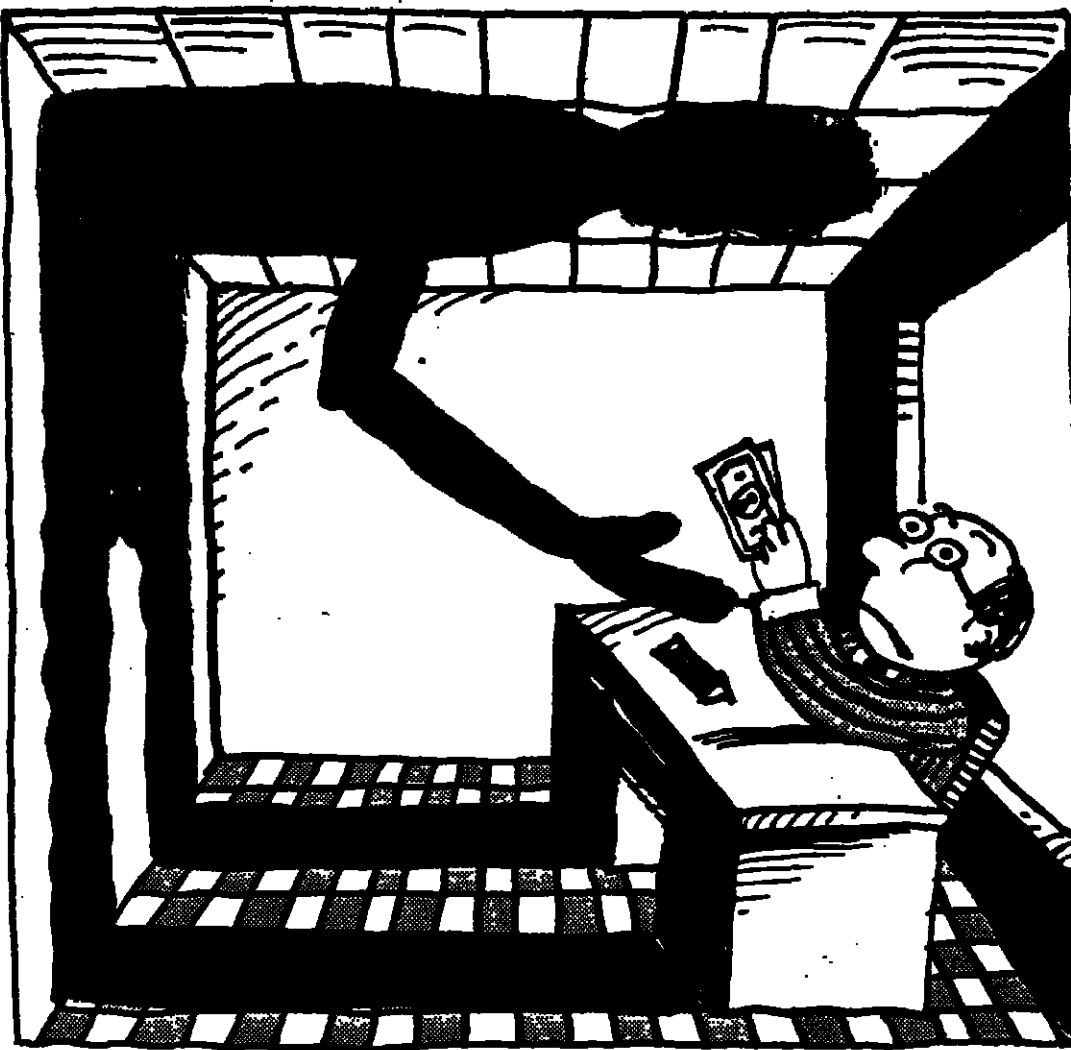
Increasingly, Greyhound's buses, which carried 30 million passengers last year, fewer than half the 64 million they carried 10 years ago, have formed a smaller part of the business. In the face of stiff competition in the age of bus and airline deregulation, the corporation has transformed itself into a consumer products and manufacturing company.

But the leader of the investment group making the purchase, Fred G. Curry, a 54-year-old Dallas businessman who has been analyzing or running bus or aircraft companies for more than 30 years, is betting on long-term effects of deregulation.

The new wave of mergers in the airline industry will be good for the bus business, Mr. Curry thinks, because the consolidation of carriers, combined with rising fuel and equipment costs, will mean substantial airfare increases. "That is the big competitive advantage that was lost," Mr. Curry said. "For people whose life and activities are not highly time-sensitive, the differential in price will be significant."

Caroline Rand Herron and Martha A. Miles

High Profits for Raiders Can Hurt Shareholders



Stuart Goldenberg

Wall Street Bemoans a New 'Greenmail' Season

By NATHANIEL C. NASH

WASHINGTON
"I THOUGHT greenmail was dead," said Martin Lipton of Wachtel, Lipton Rosen & Katz recently. "Now all of a sudden it is back, alive and well."

Mr. Wachtel, the well-known takeover lawyer, was noting a remarkable comeback. It is one that has rendered distinctly uneasy people who are concerned about small stockholders' interests, such as pension-fund managers.

Greenmail, a takeover defense crafted by managements to buy-out corporate raiders, is Wall Street's appellation for corporate blackmail. Some analysts say the tactic, which involves a raider's agreement to sell back a block of a company's stock at a premium, then abandon a hostile takeover attempt, is resurgent because managements can package buyout offers in a way that protects them from further raids.

But others note that the uncertainty in the takeover markets created by the Ivan F. Boesky insider-trading scandal is giving raiders an incentive to strike deals, take their profits and run. In last week's developments in the widening Boesky affair, a former banker at Lazard Frères, Robert M. Wilks, who exchanged tips on takeovers with Dennis B. Levine, the investment banker now cooperating with authorities after being caught in his own insider trading scheme, and Randall D. Cecola, formerly a Lazard analyst, pleaded guilty to four and two criminal counts, respectively.

From the speculator's point of view, there are distinct attractions to greenmail. For one thing, the legal profits of the practice can be much higher than the illegal earnings of insider trading. In no fewer than five hostile takeover bids since early November, millions were made.

After owning 11.5 percent of Goodyear stock for a few weeks, for example, Sir James Goldsmith agreed to sell his Goodyear holdings to the

company at a price equivalent to a \$93 million premium. Meanwhile, Ronald O. Perleman of Revlon accepted what many call greenmail, making a tidy \$43 million profit in selling his Gillette holdings to the company.

The agreement by the Haft family to sell its holdings back to Federated Department Stores for an undisclosed profit was criticized as greenmail, as was the Beitzberg family's \$37 million profit from selling its holdings in USG Corporation back to the Chicago maker of building materials. Even General Motors' agreement to buy H. Ross Perot's Class E holdings at a premium above the market is being labeled greenmail by investors that did not offer the same price.

"The profits of greenmail are absolutely immense, and the use of it is going to mushroom in the future," predicted Mark D. Lebow, a partner at Coudert Brothers in New York. Coudert represents Smith Barney in a lawsuit filed earlier this month against Sir James and Goodyear for losses suffered when Goodyear stock plummeted after the British financier abandoned his attempt to wrest control of the nation's largest tire maker.

A Self-Correcting Phenomenon

Greenmail was brought in check after its last vogue when large shareholders like pension funds, with the concurrence of the Securities and Exchange Commission, asserted in 1982 and 1983 that offering a premium price to only one large shareholder discriminated against other investors. Congress threatened to pass legislation banning such transactions; institutional investors threatened to sell off the stock of any company that agreed to pay greenmail.

Managements, meanwhile, found that paying greenmail could be counterproductive. "If you took Boone Pickens out, you got Carl Icahn; and if you took Saul Steinberg out, you got Irwin Jacobs," said one pension-fund manager, referring to four of the most prominent corporate raiders. "It was just too costly."

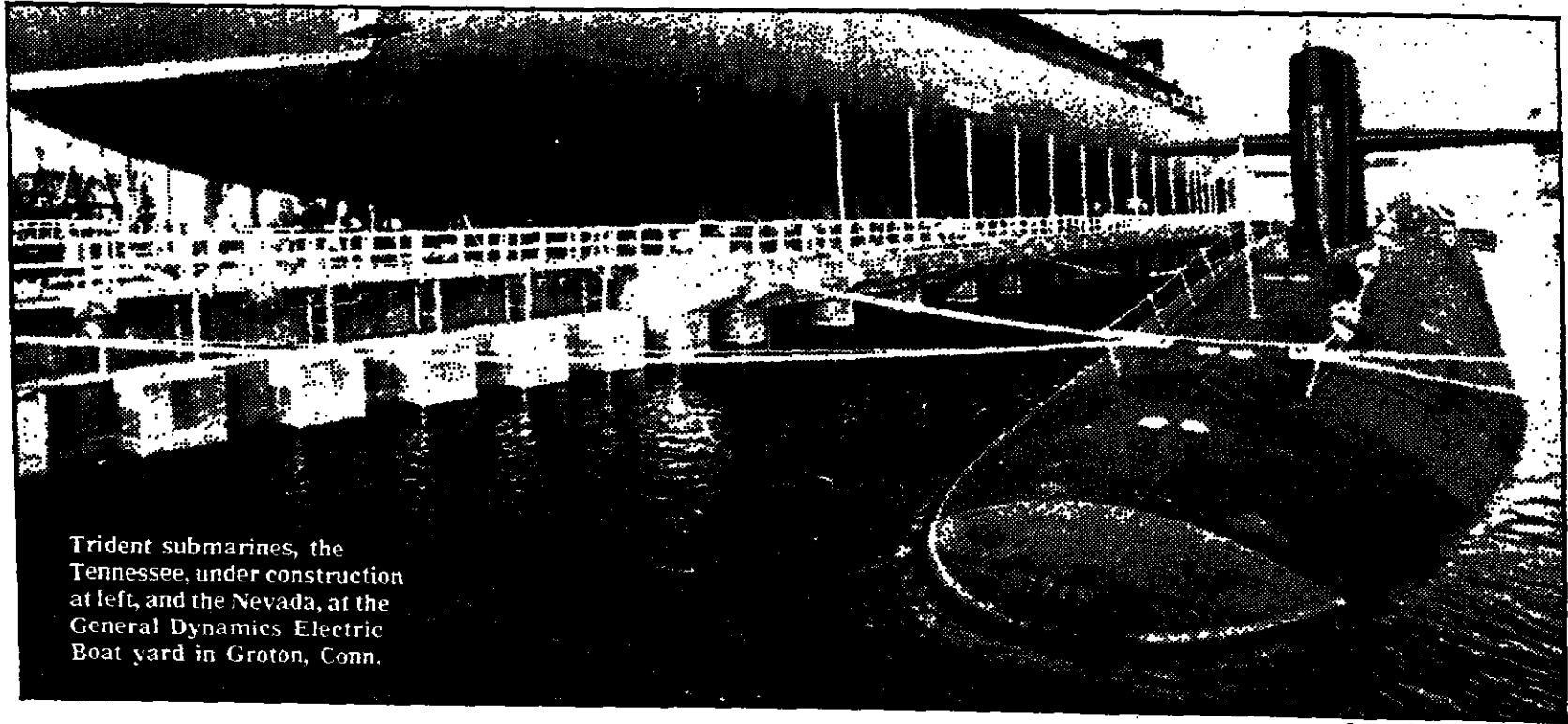
Today's greenmail has a different face. In the process of fighting it, companies often agree to major restructurings of their operations and take on large amounts of debt, which can make them less attractive candidates for other takeover attempts. Moreover, the typical buyout price is closer to the prevailing market price.

But critics note that the market price of a target company's stock is still inflated by a hostile tender offer, and that after the announcement of a greenmail agreement the market price generally plunges. With inquiries centering on the excesses of corporate raiders, money managers who oversee large pension funds are concerned that inquiries will center on the abuses of takeover tactics rather than of defensive ones. There is a point to their concern.

Senator William Proxmire, the incoming chairman of the Senate Banking Committee, for example, has promised to come down hard on hostile takeovers. His top aide, Kenneth McLean, said the Senator is also concerned about the abuses of greenmail. "I don't think Proxmire would be interested in acting on greenmail in an isolated piece of legislation," he said. "It would have to be part of a larger package to curb takeover abuses."

At the S.E.C., meanwhile, officials say the agency has not yet focused on the issue. "We saw how the market corrected itself for greenmail a few years ago," one said. "We will have to look at it again to see how it will react this time."

Now a Critic Seeks Better Testing



Trident submarines, the Tennessee, under construction at left, and the Nevada, at the General Dynamics Electric Boat yard in Groton, Conn.

Defense Image/Arnold Meltzer

Pentagon Tightens Its Buying Rules

By JOHN R. CUSHMAN JR.

WASHINGTON
FOUR times in six years, the Pentagon has changed the nameplates on the offices in which decisions about weapon purchases are made. The latest procurement czar, Richard Godwin, a former Bechtel Corporation executive who was sworn in this fall, holds a newly created title, Under Secretary of Defense for Acquisition. He will be dealing with a system of developing and buying arms that has been altered dramatically in the years since the Reagan Administration's defense buildup began.

Dozens of changes—intended to drive down prices, increase weapons reliability, speed up research and development, punish fraud and lend stability to roller-coaster production cycles, to name just a few goals—are being digested. Now many experts are hoping for a respite from reform, so the military-industrial complex can absorb the changes.

Experts say more than 4,000 laws govern how the Federal Government buys goods and services, and most of them apply to the Pentagon. If further change is needed, they say, it is to simplify the procurement code. But Senator Carl Levin, a Michigan Democrat on the Armed Services Committee and the Government Operations Committee, says change is still needed in at least one area, to tighten standards for testing weapons in realistic combat environments.

The aerospace industry, meanwhile, is looking with alarm at a set of reforms, promulgated by the Pentagon this month, that change the formulas used to calculate profits on military contracts. Last week, the General Accounting Office, an auditing arm of Congress, published a study

contending that companies are allowed to make much greater profits on military work than in commercial sales. A group of aerospace concerns is telling the Pentagon that their review of the new rules forecasts much lower profits than the Pentagon intended.

What have the reformers accomplished? Competition. Especially in the Navy, but throughout the military services, the idea that arms should be bought only after competition among suppliers is in vogue. In 1986, for the first time, the Navy spent more than half its annual procurement budget this way.

A Battle Won

Rear Adm. Stuart Platt, the service's advocate general, says the battle to make competition the norm has been won. Admiral Platt expects Newport News Shipbuilding to bid on construction of a Trident nuclear submarine, a move that would be a landmark because of the project's size and complexity. In the past, only General Dynamics sought the contracts, building 13 of the ships in the Electric Boat yard in Groton, Conn.

Prototypes. The idea, proposed by the Packard commission on defense management, is to make bidders actually build one or two of the weapons for testing, to see whether it is an improvement on what is already in use and whether it outperforms other models in competition.

The Air Force's \$35 billion plan to buy a new Advanced Tactical Fighter is following this acquisition model, at a cost of hundreds of millions to the teams of aerospace companies contending for the prize, one headed by the Lockheed Corporation and the other by the Northrop Corporation. The Defense Advanced Research Projects Agency, which supervises much of the more innovative research at the Pentagon, is also adopting

the method. But prototyping does not always work. The disastrous Sergeant York antiaircraft gun, canceled last year, was developed that way.

Multyear Procurement. Like anything else, weapons are cheaper when purchased in quantity. The Pentagon has been seeking to award contracts over several years, instead of one year at a time. Congress has directed the Pentagon to spend no less than 10 percent of its procurement budget for multyear contracts. The Pentagon estimates that by 1989 it will have saved \$4.7 billion by awarding long-term contracts.

But the military cannot always prove that it will save money this way. The G.A.O. reported recently that only half of the Pentagon's requests for multyear funding could be fully justified. The agency also said the savings reported when weapons are bought in large lots may be lost elsewhere, since in the final analysis the money for the big purchases is obtained by reducing the quantities of other purchases.

Stability. Too often, experts say, military programs are run on an erratic schedule that drives costs up the way stop-and-go traffic drives up fuel consumption. Through synchronization, money ought to be saved.

A major step in this direction will be taken in January, when the Defense Department submits a budget request covering two years of spending instead of one. For the fiscal year that begins Oct. 1, the plan seeks \$312 billion, officials said last week—an increase of 3 percent above inflation, the smallest Defense Secretary Caspar W. Weinberger has requested. The premise is that program managers will make better use of the money when they can plan further ahead. But that Congress will not be able to restrain itself from supervising programs on a yearly basis.

When the Boss Is Unbearable

As business pressures mount, so do complaints about bad bosses — the weak, willful, or devious.

By DANIEL GOLEMAN

My boss ruled like a dictator," recalled Iris Marchaj of her days at an executive placement firm in Massachusetts. "He liked to threaten people, to keep them on edge. He transferred me from one city to another arbitrarily. When I wanted to know why, he said it was none of my business. 'One day he found the coffee ma-

was a problem with the boss.' Other studies show that problems with the boss are causing increased stress and eroding workers' health.

At the same time, the bosses themselves are realizing the severity of the situation. "More managers are feeling they need help to do their jobs better," said Mr. Boyatzis. And some companies are offering that help, as employees struggle with ways to deal with their bad bosses.

What's bad about a bad boss is difficult to describe. The species come in so many varieties. Good bosses, experts say, are a more uniform lot: Typically, they know the company's business and perform their assigned

tasks. At the same time they help employees grow, give credit where it is due, dole out criticism where it is needed, and create an atmosphere in which it is easy to talk.

A key sign of a good boss is that he recognizes how the power difference can distort communications with his subordinates," said Harry Levinson, a psychoanalyst who heads the Levinson Institute, a consulting firm in Belmont, Mass.

Bad bosses, on the other hand, seem to exhibit an endless array of negative traits. Some are devious, egotistical or pompous. Others are incompetent or reluctant to be bosses at all — they try instead to be friends with their employees. A number of intolerable bosses come with more than one of these failings.

What's more, bad bossing does not always mean bad business sense. Fortune magazine occasionally assembles lists of the nation's "toughest" bosses — top-level managers who may terrorize their employees but who are smart enough to stay atop successful companies. In retrospect, in fact, it is clear that America's corporate history includes some illustrious giants of the breed.

Juan Trippe, the pioneer founder of Pan American World Airways, was a classic autocrat who rarely would praise subordinates and had no trouble summarily dismissing employees who rubbed him the wrong way. The older he got, it seemed, the more mean-spirited and capricious he became. He stubbornly refused to appoint a successor, and several efforts to depose him were thwarted. Consequently, the few capable people under him left.

The autocratic style of Mr. Trippe, who died in 1981, was so strong that those executives remaining at the company found it tough to shake his legacy and to prepare the company for the rigors of deregulation.

Charles Revson, who headed Revlon, was another legendary dictator — a ruthless, crude, arbitrary whip-cracker, who nevertheless was considered a magnetic character and creative genius. Under his rule, paranoia prevailed. Employees used to refer to him as El Exigente. He was nearly maniacal in expecting perfection of everyone. Once, annoyed by an employee's facial mole, he tirelessly badgered the man to undergo plastic surgery.

The late Mr. Revson's employees were rarely told that they did a good job, and almost every upper-echelon executive eventually was dismissed by him. As one of them once put it, "he chewed up executives the way some people chew vitamins."

Charles G. Bluhdorn, the mercurial empire builder who transformed a tiny Michigan auto parts company into Gulf and Western Industries, a multimillion-dollar conglomerate, could hold his own with anyone in the archives of abusive bosses. Underlings complained that Mr. Bluhdorn, who died three years ago, was a remote, aloof chief executive, quick to criticize. He was known to bully people in meetings, had an explosive temper. He would go into wild and seemingly irrational rages. People

who dealt with him remember him literally foaming at the mouth during some encounters. Associates also said he blurred the line between business and personal dealings; one financial man said he quit after being asked to arrange personal loans for Mr. Bluhdorn.

And then there was Henry Ford. As has been amply documented, Mr. Ford was both a genius and a monster. He was widely regarded by those who knew him as cold-hearted and rapacious. He turned his succession into some sort of cruel and unwinnable game, in which he plotted against his only son, Edsel, and deliberately kept him an underling.

by Mr. Lombardo and Morgan W. McCall, a colleague at the Center for Creative Leadership — of 400 executives at eight large corporations. As part of the study, highly successful executives, all among the top 100 managers in their corporations, were interviewed about key events in their careers and the roles bosses had played.

The most frequently mentioned villain was the "snake-in-the-grass" boss, one who lacks basic integrity. Such bosses, said the managers, lie, fail to keep their word, and otherwise cannot be trusted.

"One boss was as ruthless as J.R. Ewing," said Mr. Lombardo, referring to the mean and powerful oil baron on "Dallas," the TV series. "He kept a dossier on his employees, collecting any and all dirt he could, to control them — he'd get them fired if he had to."

Also high up on the list: the Attila-the-Hun boss, who bulldozes his way over any objections and takes offense if others make their own decisions or

stand out in any way. These types relish power, and abuse it freely. In one case, says Mr. Lombardo, such a boss pressured an employee for such unreasonable levels of performance that the worker had a nervous breakdown.

Next in frequency was the heel-grinder boss, one with no respect whatsoever for employees. Such bosses belittle, demean and humiliate those beneath them, and will, for instance, fiercely criticize an employee in front of a group.

The egotist was almost as unpopular as the heel-grinder in Mr. Lombardo's study. These bosses take the pompous attitude that only they know the right answers. One of them, for instance, played a ruthless game in which he would pose a problem, criticize everyone's responses, then present the one solution he had in mind from the start.

Tied with the egotist was the dodger, a boss who avoids taking any responsibility at all. One executive recalled a boss who went so far as to announce that he would make a decision only if he were forced to do so.

Such bosses "want to be liked," said George Klemp, a psychologist at Charles River Consultants in Cambridge, Mass. They do not want to confront any work problems head-on.

If an employee is not performing well because of family troubles, for example, says Mr. Klemp, bosses who are dodgers "will just say, 'I understand you have troubles at home.' But it's important for a good manager to go on and say, 'but how are you going to get your job done?'"

After the dodger, the executives disliked the incompetent boss most — someone who does not know what he is doing, but will never admit it. The typical case involves an executive who excels in a technical skill, and is thus promoted to a managerial position for which he has not been prepared — a predicament known as the Peter Principle.

Appearances can be deceiving, however, when it comes to the problem of incompetency, says Stuart Margulies, a New York City psychologist and corporate consultant. Sometimes a seemingly bumbling, infuriating boss is deeply engaged in other matters that can make his decisions look irrational.

"Most bosses have hidden priorities that they rarely share with any but the most trusted subordinates," he said. So what looks like incompetency may actually be something else altogether — a deep-seated rivalry or an intense involvement in company politics.

Mr. Margulies provides an example from his own experience: "A manager competing with the head of another department asked a subordinate to shop for a new computer system. The subordinate selected a system that was better than any. But using it would mean that the department's system would combine with that of his boss's rival and that the boss would lose some control to the rival. The boss rejected the system for what seemed like completely arbitrary reasons. But he had his own good ones."

The Economy

WEEK IN BUSINESS

Oil Prices Move Up, At Least for Now

OPEC's agreement to slash output by 7 percent in the first half of 1987 sent oil prices above \$17 a barrel for the first time since September. OPEC's target is \$18 a barrel, but most analysts say the spurt in prices was an overreaction to the OPEC agreement. Reached after two weeks of disharmonious talks led by Rikman Lukman, Nigeria's oil minister and the chairman of OPEC, the agreement requires all members except Iraq to cut production. More significantly, it requires them to adhere to a price system for crude products that analysts say will not likely be followed. Other OPEC agreements have failed as members — fearful of losing revenues — cheated on quotas or undercut pricing agreements.

The effect of any increase on heating oil and gasoline prices remains uncertain, however, because those refined products often do not respond until crude prices stabilize. But most analysts expect at least slight increases at the pump, possibly dampening Americans' new-found enthusiasm for driving.

Durable goods orders soared 5.9 percent in November. That would ordinarily be hailed as a strong gain, but analysts generally discounted it because it was skewed by big military orders and a last-minute rush to order goods before the new, less favorable tax law goes into effect. Overall, they say, durables remain sluggish. ... Despite a last-minute buying surge, Christmas retail sales probably were just barely even with last year's.

The stock market was active at the start of a holiday-shortened week, as investors acted to settle their portfolios before the end of the year and the arrival of the new tax law. But Friday lived up to its reputation as the slowest trading day of the year. The Dow Jones Industrial average closed the week at 1,930.40, up 1.58. Credit markets were quiet.

UAL will buy Hilton International and its 88 hotels from Transworld for just under \$1 billion. Transworld had agreed to sell Hilton to KLM, but the Dutch airline withdrew, and UAL, the parent of United Air Lines, stepped in. Analysts worry that despite UAL's strategy for complete service for travelers — it also owns Hertz — the company may be biting off more than it can chew.

Japan approved a budget that includes virtually no growth. That could mean that its promises to the United States to expand its economy cannot be fulfilled. The United States has hoped that greater Japanese growth, which a more generous budget might have fostered, would spur domestic consumption and more purchases of American goods. Japan, meanwhile, said its budget surplus contracted a bit in November.

Japan offered \$6.2 billion in loans to the International Monetary Fund and the World Bank for loans to developing nations.

Greyhound is leaving the bus business, citing its lack of profitability. The company, which in recent years has expanded into consumer prod-



Rilwanu Lukman

ucts, financial services and other non-bus operations, will sell the bus line for \$350 million to a group of investors that include the former chief executive of Trailways.

Republic of New York is buying Williamsburgh Savings Bank for about \$80 million, marking the first acquisition of a savings bank by a commercial bank in New York. Williamsburgh has been floundering, and most analysts viewed a rescue by Republic as an excellent deal.

Samuel Belzberg offered to buy two Canadian subsidiaries of GTE; and said Sprint, GTE's long-distance subsidiary, should be spun off to shareholders. But GTE's chairman, Theodore F. Brophy, scoffed at the plan. Mr. Belzberg owns a big stake in GTE, and some analysts speculated that his offer is a ploy to try to enhance the value of his holdings.

The Fed plans to wait until April to decide whether banks will be allowed to expand their abilities to underwrite commercial paper. A Fed ruling has been anxiously awaited — a number of big commercial banks have applied for underwriting permission — but the delay is not expected to have a big impact, especially in light of a Federal appeals court ruling that sanctioned Bankers Trust's activities in commercial paper.

Merrill Lynch switched signals and said it would convert its real estate operations into a limited partnership rather than sell them. Analysts say the partnership, of which Merrill will retain control, would be more profitable than an outright sale. Separately, Merrill said it would close its information center in Grand Central, citing new space restrictions.

The F.T.C. is investigating what it called possibly illegal stock purchases by six investment firms on behalf of clients who were planning hostile takeovers. The F.T.C. claims that such stock purchases, which would allow a raider to circumvent S.E.C. requirements on notices of stock purchases, contribute to the excessive manipulation of the markets.

MERRILL PERLMAN

chine had been left on overnight, and he hit the roof," said Ms. Marchaj. "When his secretary came in, he started yelling, blaming her for things she hadn't done. I stood up for her. For weeks after that, he wouldn't speak to me. When I finally went to talk to him, he said, 'You've made my staff lose respect for me.' I told him I couldn't exist in that closed, lying environment, even though top management had assured me I would be promoted to his level in six months. I quit."

The tale told by Ms. Marchaj, now a stress-management consultant at Northampton Wellness Associates in Northampton, Mass., is an old one: the unbearable boss who makes life miserable for subordinates.

Bad bosses have been around since long before Ebenezer Scrooge, but these days, the grumbling about them at the year-end office party may be getting louder.

Younger employees, especially professionals, are less inclined than past generations of workers to be cowed



Henry Ford in 1938

into silence. They tend to jump around from job to job more than workers have in the past. This means they are less afraid to leave a bad situation, but it also means they meet up with more bosses — some of whom are bound to be intolerable.

At the same time, the frantic merger activity, increased competition and widespread cutbacks of the business world have created an air of ruthlessness toward employees, some of whom feel newly vulnerable because of the weakened conditions of the once-mighty labor unions in this country. The resulting edginess among managers and distrust among workers adds up to a high-pressure environment that helps to spawn bad bosses.

"Yearly surveys since 1979 show a steady erosion in workers' respect for their bosses," said Richard Boyatzis, a psychologist and president of McBer, a management consulting firm in Boston. "More than half of those in a recent national survey said they could improve their productivity by 20 percent if working conditions were better. And the main reason the workers gave for being underutilized

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His grandson, Henry Ford 2d, who eventually did head the company for 34 years, learned well from the founder. He developed a well-oiled penchant for running through senior executives. According to Robert Lacey's recent book, "Ford," the younger Ford would say to himself in the morning as he shaved, "I am the king, and the king can do no wrong."

The odds are that there will be a troublesome boss at some point in most everyone's job history — though

stand out in any way. These types relish power, and abuse it freely. In one case, says Mr. Lombardo, such a boss pressured an employee for such unreasonable levels of performance that the worker had a nervous breakdown.

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The New York Stock Exchange				
MOST ACTIVE STOCKS				
WEEK ENDED DECEMBER 26, 1986				
(Consolidated)				
Company	Sales	Last	Net Chng	
AT&T	15,083,300	25 1/2	- 1/4	
Cumt E	12,550,700	34	- 1/4	
Navistar	8,011,500	4 1/4	...	
Am Exp	7,276,000	58 1/2	- 1/2	
USX	7,227,300	21 1/2	- 1/4	
IBM	5,477,800	122	- 3 1/4	
ScotEd	5,394,300	35	+ 1/4	
Exxon	5,317,200	73 1/2	+ 3/4	
Nynex	4,484,100	67	+ 1/4	
G Mot	3,790,700	67 1/2	+ 1/4	
Goodyr	3,389,100	41 1/4	...	
Mobil	3,274,900	40 1/4	...	
Merck	3,246,200	129	+12 1/2	
BellAtl	3,234,400	70 1/4	- 1 1/4	
Ford M	3,223,700	57 1/4	- 1/4	
The American Stock Exchange				
MOST ACTIVE STOCKS				
WEEK ENDED DEC. 26, 1986				
(Consolidated)				
Company	Sales	Last	Net Chng	
Wickes	6,456,500	3 1/4	...	
Wang B	1,215,200	12 1/2	- 1/4	
FalChl n	1,041,200	19 1/2	...	
NYTimes	828,500	36 1/4	- 1 1/4	
Lifetime	805,700	2 1/4	+ 1/4	
BAT	698,900	6 13/16	+ 1/4	
LoTel n	689,900	16 1/4	- 1/4	
FausP n	638,500	8 1/4	- 1/4	
Hastar s	614,700	20	- 1/2	
HouOT	529,200	1 1/4	...	
MARKET DIARY				
	Last	Prev.		
Advances	709	1,065		
Declines	1,226	929		
Total Issues	2,210	2,244		
New Highs	59	70		
New Lows	82	144		
VOLUME				
(4 P.M. New York Close)	Last	Year		
Total Sales	490,987,879	35,314,866,145		
Same Per. 1985	329,828,820	27,305,938,363		
WEEK'S MARKET AVERAGES				
	High	Low	Last	Change
New York Stock Exchange	164.0	152.1	163.1	-1.57
Transp	120.4	118.9	119.0	-2.02
Utilities	75.9	75.1	75.2	-0.91
Finance	143.8	141.8	142.2	-2.01
Composite	142.0	140.5	141.1	-1.51
The American Stock Exchange				
VOLUME				
(4 P.M. New York Close)	Last	Year		
Total Sales	45,816,060	2,934,187,154		
Same Per. 1985	33,592,735	2,074,088,460		

The New York Times

Founded in 1851

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Fear of Blacks, Fear of Crime

It's very easy to spot a black person in this neighborhood, and whenever I see one, I know he's up to no good. They come in the neighborhood and rob everybody. It's a known fact. That's why everybody has a thing about them.

That's how a construction worker named Jimmy, from Howard Beach, Queens, tried to explain why a gang of teen-agers armed with bats and clubs last week chased and beat three blacks whose only apparent offense was to walk through his neighborhood.

The same crude presumption — that blackness indicates criminality — haunts the trial of Bernhard Goetz, who claims self-defense for shooting down four young blacks on a subway train. The presumption recently led a Louisiana sheriff to order deputies to stop and question all blacks on sight, and it produced furious debate in Washington, D.C. over whether local stores, fearing robbery, should refuse to admit black men. Signs on the doors of small shops on the upper East Side of Manhattan — "Men by appointment only" — also mask the ugly question: Shouldn't one assume that black men are up to no good?

Many whites would answer yes, observing that blacks, especially young black men, commit more than their share of crime. National surveys estimate that blacks commit robbery at a rate 10 times that of whites. Yet blacks cannot be faulted for denouncing the automatic assumption that the potential victim's viewpoint is the only one. What about the vast, innocent majority of blacks? Why should-

n't they be able to shop where they want, hail cabs and walk city streets, even in Howard Beach? Why must millions pay for the sins of a few?

The issue engages a classic dilemma of utilitarianism versus individual rights: At what point, if ever, should needs of the community as a whole be allowed to harm an innocent minority? John Rawls, the philosopher, suggests one widely respected answer: No one ought to endorse a social order that he could not accept if he were in the shoes of the most disadvantaged.

Who, then, is more disadvantaged, the innocent white subjected to crime and fear of crime, or the innocent black forced into humiliating inconvenience and heightened risk of violence from mistaken acts of self defense?

The innocent potential victim of crime has more options for protection against burglary and robbery — guards, locks, dogs, alarms and buzzers, legitimate community organizing. Innocent victims of discrimination based on popular fear can do little but submit. There is no reason to choose: Discrimination, cumulatively, can be as poisonous as mugging or burglary. Both kinds of pain diminish the civility of modern life.

There is no remedy, only an approach, the one suggested by John Rawls. It's not hard for blacks to put themselves in the shoes of fearful shopkeepers and citizens; they are, too often, fearful citizens themselves. Fearful whites need to put themselves in the shoes of innocent blacks. Doing so will not dissipate the reasons for fear, but it can steadily inspire the understanding and reason that keep fear in its place.

Two Republicans

Two remarkable Republicans are leaving the Senate in a few days. Barry Goldwater of Arizona departs after 30 years and one hopeless campaign for the White House. Charles Mathias of Maryland goes after 18 years as a Senator following another eight years in the House. One has long been thought of as the Republicans' Mr. Conservative, the other as a leader among liberal Republicans, but such easy labels do them little justice. Whatever their differences in stance, the essential qualities of both men are the same: integrity and service.

Barry Goldwater is known far and wide, dating from the 1964 Presidential race. A resounding failure at the time, it eventually marked a political turning point. His bitter battle for the nomination, against Nelson Rockefeller and their party's long-dominant East Coast establishment, cast him as a fire-breathing reactionary. But after his landslide loss to Lyndon Johnson, he came to be seen as principled rather than dogmatic. Gradually, he gained respect across the political spectrum — notably when he tore into President Nixon on Watergate.

His most visible legislative efforts have been in military affairs. An Air Force general himself, he has chaired the Armed Services Committee for the last six years, recently provoking President Reagan and the Pentagon as much as he supported them earlier. Less visibly, he became a solid, sensible spokesman for the rights of the individual, for get-

ting the Government off people's backs. His sharp tongue may not be sharp enough for 1980's style conservatives, but they give him the credit he deserves for blazing their trail.

Charles Mathias is less widely known — and, incidentally, not known anywhere as Charles. He's "Mac." First elected to the House in 1960 and to the Senate in 1968, he has been at odds with most of his party from the start. He made President Nixon's "enemies" list. Fellow Republicans blocked him from chairing Judiciary when they won control of the Senate in 1980. He cast the only Republican vote against confirming Chief Justice Rehnquist.

But Mac Mathias's contribution to the nation's welfare transcends party politics. Even as a member of Republican congressional minorities, he engraved his name on a roll of honor for legislation supporting civil and individual rights. Mike Mansfield, when he was Senate Democratic Leader, once called him "the conscience of the Senate." The great civil rights enactments of the 1960's and the campaign reforms of the 1970's owe much to his initiative and persuasiveness.

Senator Mathias's manner is as mellow as Senator Goldwater's is acerbic, and on many issues, they lean in opposite directions. But, despite their differences, both are Republicans, both are men of principle and each, from his own direction, has served party and nation with distinction.

The Firepower of Kindness

The best public document of the season — is the annual report published by Unicef, the United Nations Children's Fund. It shows that a pittance can save millions of children in poorer countries. What's more heartening, "The State of the World's Children" reports that in the last year, countries poor and rich have united to save at least 1.5 million children by vaccines and hydration therapy. The target of total immunization by 1990 looks increasingly feasible.

The weapons in this war are benign: Salt packets to counter dehydration, and inexpensive vaccines to immunize children from their deadliest enemies: measles, tetanus, whooping cough, polio, diphtheria and tuberculosis. According to James Grant, Unicef's director, doses of vaccine in 100 poor countries have trebled in three years, from 125 million to 377 million, and should reach a billion by decade's end.

How much difference a few years can make. In 1983, only 2 percent of Egypt's mothers knew about

oral hydration therapy, the simple technique of replacing salts lost when children succumb to diarrhea; now knowledge is near-universal and 13,000 health workers are trained to combat this common killer. There's a multiplier in each success, as communities learn how to mobilize to save their children in countries as unlike one another as Turkey and Burkina Faso, Brazil and Bangladesh.

When distress has a human face, it's possible to galvanize support — spectacularly, in the case of one-shot Live-Aid campaigns. Unicef's feat is to humanize development aid and get sustained support. Even a cost-conscious American Congress came up with \$75 million. Sure, there's an element of showmanship in tugging at universal sentiments, but then the Children's Fund has something to show in results that everyone can grasp. That's what gives firepower to kindness. Other, envious U.N. agencies would do well to consider the reason for Unicef's success: Tangible evidence that a practical program gets results.

Topics

Lifted Lids

Sakharov's Return

After halting Andrei Sakharov's return to Moscow after seven cruel years of banishment in the closed city of Gorky, hail the sequel: his welcome at the Physics Institute and the Soviet Government's calm response to his public criticism of the Soviet assault on Afghanistan — the very "crime" that led to his banishment under Leonid Brezhnev.

A fellow scientist spoke for the world after the Nobel laureate again took part in a seminar: "Sakharov is Sakharov — there is only one such man. God grant that he remains Sakharov." Tellingly, even in disgrace, Mr. Sakharov was not stripped of his membership in the Soviet Academy of Science.

But it was Mikhail Gorbachev who

had the courage and sense to end the banishment of the scientist and his ailing wife, Yelena Bonner. When the Sakharovs returned, they were met by a throng of journalists and dissidents. And when the scientist spoke about Afghanistan, a Foreign Ministry spokesman saw "nothing bad.... If he is going to speak out on international affairs honestly, he will not be punished."

The qualifier should be noted, but if he remains free to speak out for other prisoners of conscience, it will be more than a new chapter in Soviet life — it will be a new book.

Drugscam

"Buy generic" would seem to be a good guide for saving money on pre-

scription drugs. Not necessarily so, according to a survey just published in the Journal of the American Medical Association.

A team at the University of Pennsylvania's Institute of Health Economics studied 892,000 prescriptions for 21 drugs, comparing prices for generic and brand-name products, at more than 1,300 pharmacies in 39 states. They found that the drug store always pays less for generics than for brands and commonly makes a bigger profit on the generics. Yet customers don't always pay less for generics — even in states with savings pass-through laws.

Gulling consumers with higher prices under the guise of lower prices on an essential health product amounts to an indefensible scam. Let the buyer be ever wary.

Letters

It Takes More Than Poverty to Make Criminals

To the Editor:

For me, Don Wycliff's "How Many Larry Davises?" (The Editorial Notebook, Dec. 13) served only as a symbol of sociological myopia. Mr. Wycliff's statement, "The need to do something about such young men is a concern now," demonstrates the view of the after-the-fact crowd that readily expresses dismay and frustration at seemingly unpreventable criminal acts.

Much of my difficulty in understanding Mr. Wycliff's view — that military service and the Job Corps are acceptable solutions for young black men who behave as their own worst enemies — was that on one hand he looks at these young black men as victims of broken families, and on the other, he implies they are psychological powderkegs waiting to explode. In my view, neither military service nor the Job Corps is an effective solution to a continuing social problem.

While crime is widely thought a result of poverty, economic status is by no means the only reason for crime. Other conditions recognized as affecting the amount and type of crime are size and density of population, age, sex, and stability of population. Moreover, factors that are of great importance in one situation may be of little importance in another.

No longer do competent criminologists or knowledgeable commentators seek to explain or lay blame on a single cause of crime. Instead, they seek to find and express logical theories that will help explain the largest number of cases or to point out the

characteristics that are significantly more common among criminals than noncriminals.

Therefore, no worthy student of the causes of crime will attribute this behavioral defect to one racial group. To do so is as insane as the proposition that all lawbreakers have a genetic propensity for criminal behavior, are psychotic or illiterate.

What social inequities create a Jean Harris, a Buddy Jacobson? Or on a lower social stratum, a David Berkowitz? It is clearly evident that violent crime transcends ethnic boundaries.

If indeed being a product of a broken home serves as a catalyst for black-on-black homicides to be the leading cause of death for black men between 15 and 24, then placing these potential Larry Davises in the military only enhances the destructive ability once the fuse is lit. The Job Corps only moves the problem to another location. Or are we talking about safeguarding only New York City?

The difficulty in understanding and effectively dealing with the causes of crime and delinquency has been the continued reliance on a particular theory of prevention and treatment. Current sociological needs call for identification and individualized, not mass, treatment. They also call for social measures to cement and preserve the nuclear family, not destroy it. That is if we are to prevent a legion of Larry Davises from roaming our streets.

HARMEEN ROWE
Secy., Wallkill Branch N.A.A.C.P.
Wallkill Correctional Facility
Wallkill, N.Y., Dec. 14, 1986

Come Out of That TV and Meet the Voter

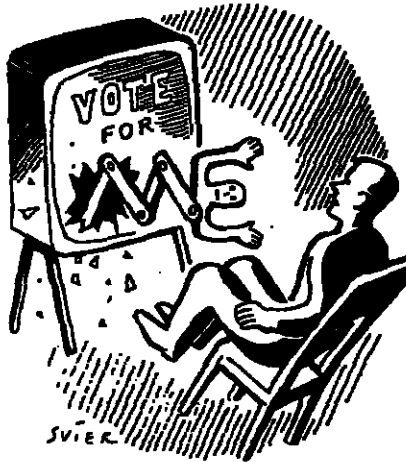
To the Editor:

Bob Graham's Dec. 11 Op-Ed article on the candidate's campaign shows one state's evolving election experience. While Florida may be focusing on the glitz and blitz of television to conduct campaigns, there are still places in this country where the people do control the process and the media have not encroached on an influential electorate.

Although the second smallest state might not be typical, a 1984 race for an at-large Congressional seat in Delaware convinced me that old-fashioned electioneering still thrives. To me, as a campaign press secretary for the Republican candidate in that race, it was clear that Delaware voters, much to their satisfaction, had their politicians at their beck and call.

We participated in more than 25 debates, candidates' forums and town meetings throughout the state, and often gave up to three major speeches in the course of one day. Although the schedule was grueling, by engaging in the political process to such an extent, my candidate and her opponent submitted voluntarily to the close and careful scrutiny of voters. Our television advertising, while a factor in fund raising and outreach, was not the campaign's focal point.

Perhaps Delaware is old-fashioned. But if Florida's experience represents the bellwether, I say, let's hang on to tradition. Neither the people nor



the politicians profit from this campaign mass marketing, reminiscent of so many toy commercials at Christmas. If politicians are to be sold to us as talking dolls, voters want to know at least whether or not batteries are included.

We elect our representatives to address our problems as real people. To do that, the politicians must learn the political will of their constituents, not by polls and ratings, but by listening. Television campaigns don't fit the bill. As even a child knows, the television only talks; it doesn't listen.

ROBIN STEVENS PAVES
Silver Spring, Md., Dec. 12, 1986

Iran, Farce and Marx

To the Editor:

Senator Ernest F. Hollings labels the Iran-contra affair President Reagan's Watergate (Op-Ed, Dec. 14), invoking "the adage that historical phenomena always happen twice — the first time as tragedy, the second time as farce."

That's no adage; that's the opening of "The 18th Brumaire of Louis Bonaparte," an 1852 essay by Karl Marx. Marx actually wrote: "Hegel remarks somewhere that all great, world-historical facts and personages occur, as it were, twice. He has forgotten to add: the first time as tragedy, the second as farce."

A little farther on, Marx attempts to explain this, using a phrase that should be noted by political scientists, as well as supporters of the Boston Red Sox and the New York Rangers: "The tradition of all the dead generations weighs like a nightmare on the brain of the living."

RONALD BLUM
New York, Dec. 16, 1986

Prague Loves Jazz, but Not Tax-Law Dodgers

To the Editor:

To answer the question in the headline of Kurt Vonnegut's Dec. 14 Op-Ed article, "Can't Prague Leave Even Jazz Alone?": Not only do we leave it alone, but we also treasure it.

Jazz has been played, admired and loved in Czechoslovakia from the earliest days of its popularity in Europe. This is the creation of the black people of the United States is celebrated throughout the many jazz festivals held throughout the year in my country. Even Radio Prague, our international ambassador, devotes many hours of air time to jazz. Jazz musicians, indeed all of our people, meet freely with international visitors. Even Mr. Vonnegut mentions such meetings.

The men of the Jazz Section, the "seven harmless and delightful members," as Mr. Vonnegut describes them, had apparently engaged in criminal activity by not paying their taxes. Every state has the obligation

Bring Back R.O.T.C.

To the Editor:

In the context of the recent shootout between Larry Davis and the New York City police, Don Wycliff speaks of domestic consequences of the elimination of the military draft under the pressure of anti-Vietnam War sentiment in this country: the lost opportunity for low-income minority youth to break away from the restricting circumstances of their lives, and the crime, violence, unrest and disorder that arise when these young people have nothing but such circumstances in prospect.

The military draft was not the only opportunity lost to minority youth as a result of antiwar sentiment, however: Reserve Officers Training Corps programs on campuses also went into decline and the financial aid and career opportunities that went with them.

The absence of R.O.T.C. programs is especially to be remarked at the four-year colleges that form part of the City University of New York. These 11 colleges have a combined enrollment of about 106,000 students, half of them black or Hispanic and three-quarters dependent upon financial aid. Some among the City University students qualified to enroll in R.O.T.C. would do so if the programs were easily accessible; yet according to Peterson's Annual Guide for 1986, only one of the colleges, the John Jay College of Criminal Justice, has an R.O.T.C. program available for its 6,000 students.

The City University prides itself on the educational opportunities it affords minority youth. It should expand those opportunities by including R.O.T.C. at its four-year colleges, as a number of traditional black colleges, including such schools as Howard University and Tuskegee Institute, have done.

BRUCE E. NEWLING
New York, Dec. 14, 1986
The writer is an associate professor of economics at the City College.

The Gun Lobby's Role

To the Editor:

I recognize that Don Wycliff in his Editorial Notebook of Dec. 13 meant only to consider the violence and crime committed by blacks. Perhaps blacks do more than their share because of their hardships, but people of all races commit murder. I think the gun lobby cannot escape its responsibilities. Handguns along with rifles and shotguns have caused many deaths.

Mr. Wycliff also suggests we should revive compulsory military service. This cannot apply only to blacks from fatherless families. It means every young man in the country would face giving up a year or two of his life. Moreover, the military establishment is not a reformatory. Its purpose is to train soldiers.

I agree that the Job Corps could be expanded, and it would be desirable to recreate the Civilian Conservation Corps, which gave young men the opportunity to do useful service, learn discipline and also get an education. Congress should consider these suggestions.

MARGARET HAYES
New York, Dec. 17, 1986

Subway Rider's Plight Far Worse Than Crowding Index Shows

To the Editor:

A Dec. 9 item reports that New York City's Transit Authority has come up with a "crowding index" to quantify the subway rider's experience. As you note, the T.A. assumes that standees take up 2.36 square feet of floor space. That number was obtained by assuming that riders were ellipses with axes of 2 feet and 1.5 feet. The T.A. then measured the available standing room of each car type and divided by 2.36 square feet, supposedly yielding "the number of standees each car type can hold when crowding begins to be intolerable."

Unfortunately, the T.A.'s calculation is in error. When you try to fit ellipses into various spaces, there are always leftover areas that cannot be filled unless the ellipsis is deformed. If you consider the irregular shape of the available car floor space, the presence of poles and other obstructions and the need to move about in boarding and leaving, the effective standing capacity of the cars is far less than the T.A. has determined. To

correct for this, a divisor higher than 2.36 must be used. The transit industry uses 5 or 5.4 square feet as a passenger space. Even back in 1914, the Public Service Commission considered 4 square feet to be necessary. Thus, the proper divisor is probably between 4 and 5.

If we use 4.5 square feet as the effective area for each standing passenger, the total capacities (seated and standing) of 119, 176 and 215 that the T.A. uses for 51-foot-long, 60-foot-long and 75-foot-long subway cars, respectively, drop down to 83, 116 and 147, respectively.

With these numbers, the crowding index of the Lexington Avenue express jumps from a "claustrophobic"

L2 to an outrageous 1.72. The F train from Brooklyn with a seemingly comfortable .77 index really has a less than satisfactory 1.13 index, meaning that some standees are cramped.

With few exceptions, T.A. lines to Manhattan are overcrowded. The T.A.'s use of a distorted crowding index will not make the trains any less jammed. The T.A. has to develop a long-range plan to expand capacity to meet service needs. Only through reasonable comfort standards can mass transit be made the mode of choice.

STEPHEN B. DOBROW
Professor, College of Science and Engineering
Fairleigh Dickinson University
Teaneck, N.J., Dec. 15, 1986



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WASHINGTON
James Reston

Reagan's Happy New Year?

Everything looks the same in Washington now, shining in the winter sun, but in a way things are quite different. It's not only a New Year approaching but a new prospect for all the main characters on this political stage.

The 100th Congress will be different when it convenes in January dominated by the Democrats, with new chairmen of the committees and a new Speaker of the House of Representatives.

The White House will be different with a new National Security Council and new problems with the budget, the allies and the Soviet Union. Suddenly, the fads and follies of the past are over.

The question now, at the turn of the year, is how everybody here will react to this new situation — particularly President Reagan, going into the last two years of his Administration and wondering what he'll leave behind.

Will he come to terms with the failures of his illusions in the coming year — now that the magic is gone — and work for compromises on control of the Federal budget and the nuclear arms race, or will he stick to his dreams of borrowing and spending to put weapons in outer space?

This we don't know, as President Reagan goes into the hospital at the beginning of his 78th year and thinks about what he will say in his State of the Union Message at the end of January.

As usual, he is being advised by some of his old California buddies never to complain, never to explain and never to apologize — the old Central Intelligence Agency motto — to stick it out, use his veto against the Democrats in Congress and go out fighting.

This, it seems, is the Irish view of Don Regan and Pat Buchanan in the White House — declare Lieut. Col. Oliver North a "national hero" and fire him; toss Vice Adm. John Pindexter overboard, and condemn the Republicans for not supporting facts coming out of the White House that they didn't know about.

But there are other voices here in the Reagan Administration. For example, George Shultz at the State Department is saying let's leave bad enough alone and try to work things out with the Congress, the allies and even with the Russians, who are in even more trouble than we are.

The new Speaker of the House, Jim Wright of Texas, and even the new Majority Leader in the Senate, Robert Byrd of West Virginia, are in the old mold of Sam Rayburn of Texas and Arthur Vandenberg of Michigan who differed on home policies but believed that foreign policy really "stops at the water's edge."

There's a vague feeling here now, on both sides of the political aisle, that maybe our domestic and foreign policy problems are too serious to be

Suddenly, the fads and follies of the past are over

left to partisan politics and personal ambition.

A new generation of politicians is already out in Iowa and New Hampshire thinking, not about Ronald Reagan's problems but about how they might replace him. You can hardly toss a typewriter out of the House or Senate press galleries these days without hitting some dreamer who hears "Hail to the Chief" in the night.

But the problem at the beginning of 1987 is not really how to replace Ronald Reagan but how to help him and the country through the next two years.

This will probably require, not primarily what President Reagan and chief of staff Don Regan or Colonel North or Admiral Poindexter did — important as this is, we can leave it to the historians and the psychiatrists — but how to get on to the end of the century.

For one thing, it would probably be helpful if the President's cabinet and his White House staff stopped fussing with one another, and the new National Security Council under Frank Carlucci got out of the cloak and dagger business and left a little more room for the conduct or misconduct of foreign policy to the professionals who have spent their lives studying all these tangles.

But probably nothing important will be done about all these questions of domestic or foreign policy unless the President comes back from the hospital in the new year with a different approach about how to organize his Administration in the short time he has left.

He retains the support and affection of the American people, though not as much now as before. Much,

By Robert L. Bernstein

As we turn toward the new year of 1987, those who believe that respect for human rights can make an important difference in relations between nations, and particularly between the United States and the Soviet Union, will applaud the hopeful news of the return of Andrei D. Sakharov and his wife, Yelena G. Bonner, to Moscow. They must also be reassured that Anatoly B. Shcharansky is now living in Israel and that Yuri Orlov is no longer suffering in either a labor camp or in exile but rather is resuming his scientific research in the United States.

At the beginning of 1986, these three names — Sakharov, Orlov and Shcharansky — were the symbols of Soviet abuse of the Helsinki Accords. All three are admittedly better off now, and the reason for this is Mikhail S. Gorbachev.

Whether or not Mr. Gorbachev's sensitivity to the great injustices done to these three men and their families is primarily for public relations purposes, we in the West must admit that there has been visible movement this year. It is hard to measure the balance of forces in the Soviet Union and therefore difficult to

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know if the liberalization in the arts and the improvement in human rights could be moving faster. Still, by any measure, Mr. Gorbachev should be encouraged in these pursuits.

At the same time, one should continue to look hard at the facts. To continue the progress made in 1986, Mr. Gorbachev must now show that he is willing and able to deal with more than the symbols of Soviet abuse of human rights.

For all the gains of 1986, Mr. Orlov and Mr. Shcharansky are now forced to live abroad, not free to live and speak in the Soviet Union. Further, 1986 will also be remembered for the death of Anatoly T. Marchenko after a hunger strike and continual beatings in a Soviet labor camp. Worst of all, there are many political prisoners still in labor camps and prisons, suffering much the same treatment that Mr. Orlov, Mr. Shcharansky and even Mr. Marchenko received. And arrests are still being made for the same phony reasons that led to the imprisonment of Mr. Orlov and Mr. Shcharansky and the exile of the Sakharovs.

Consider a few individual cases. Dr. Anatoly Koryagin remains in the Perm Labor Camp, the same complex of camps where Mr. Orlov was confined. His crime: publicizing the Soviet abuse of psychiatric institutions and drug treatment to silence political prisoners. In late November, several members of the Moscow Trust Group — an organization of independent peace activists — Alexei

Korostelyov and his wife, Anna Neli-dova, were suddenly exiled. Other members, Sergei Svetushkin, Andrei Krivov, Andrei Zaitsev and Anatoly Cherkassov, were all recently arrested and may face serious charges. Larissa Chukayeva is in a labor camp; Nina Kovalenko, in a psychiatric hospital.

There are, at the moment, more than 800 prisoners of conscience

In '86, some gains, but also repression

known by name to Western observers of Soviet abuses, and new names will surely keep appearing as long as people can be put away for merely speaking or writing their thoughts.

Last November, in his opening speech at the resumption of the Helsinki talks in Vienna, Foreign Minister Eduard A. Shevardnadze announced that the Soviet Union wished to hold an international human rights meeting in Moscow. Human rights groups throughout the world should

applaud this aim. But surely Mr. Gorbachev and Mr. Shevardnadze realize that no such event can occur until unjustly imprisoned or exiled people such as Ivan Kovalyov, Tatyana Ostrova, Viktor Nekipelov, Tatyana Velikanova, Yuri Shikhanovich, Victorias Petkus, Mari Niklus, Sergei Khodorovich, Lev Timofeyev and many others are freed in a political amnesty, as Mr. Sakharov suggested in a letter to Mr. Gorbachev last March.

Recent events have not changed what Mr. Sakharov wrote: "There are so few prisoners of conscience in relation to our population, but their release would have real humanitarian, moral, political and, I dare say, historical significance. It would substantially increase our country's prestige. It would make all international contacts easier. It would advance the openness of our society, international confidence and the cause of peace."

The political amnesty is Step One. Stopping the arrests that create new political prisoners is Step Two. A human rights conference in Moscow, admitting all those who wish to attend and with accurate coverage in the Soviet press, could be Step Three.

This would make the current Helsinki meetings in Vienna truly historic. The original Helsinki agreement was signed in 1975. Let us hope, on the basis of the breakthroughs for Mr. Orlov, Mr. Shcharansky and Mr. Sakharov, that it will come fully alive in 1987.

Expect More Racism

By Ross K. Baker

NEW BRUNSWICK, N.J. Three recent events of widely different kinds and in widely separated parts of America remind us that despite all of our self-congratulation — and denials — relations between blacks and whites are rarely better than uneasy, and often burst out terrifyingly.

The events — in Howard Beach, Queens, N.Y.; Jefferson Parish, La., and Arizona — and their aftermaths tell us a lot about racial relations. In all three cases, individuals who had spoken or acted against black people or their interests or symbols found that disapproval of their acts was far from universal and that indeed they had many supporters.

The most recent event was the beating of three young black men by a group of white teenagers in Howard Beach and the subsequent death of one.

Less violent but no less indicative of the delicate state of race relations were remarks by Sheriff Harry Lee of Jefferson Parish on Dec. 2 — the population there is 84 percent white — and the debate they ignited. He said during a larger statement about measures to combat crime that "if there are some young blacks driving a car late at night in a predominantly white area, they will be stopped."

Although the sheriff quickly apologized, the local reaction was not one of universal condemnation. Indeed, a poll taken shortly afterward found that nearly 70 percent of the respondents viewed him favorably.

The third incident is the decision by Arizona's Governor-elect, Evan Mecham, to rescind the state's designation of the birthday of Dr. Martin Luther King Jr. as a holiday. The original designation came about when the outgoing Governor, Bruce Babbitt, issued an executive order in May after the Legislature narrowly voted against designating the birthday as a holiday. Mr. Mecham's decision can be written off as a quirky, unimportant action by a perennial candidate, but his decision has its defenders and, after all, what he did was consistent with the sentiment of the Legislature's majority.

The Howard Beach assailants' actions have been defended by what appears to be a well-founded fear of incursions by black teenagers intent on crime in the predominantly white enclave. A similar response could be found in Jefferson Parish's white population. In Arizona, blacks constitute only about 3 percent of the state's population, and a recent surge in the population has resulted largely from an influx of whites from other parts of the country. Thus, in all three places there are majority white populations that by reason of history, choice or defiant territoriality have chosen to live with other whites and whose contact with blacks is intermittent, beset by conflict or both.

We need to be reminded that blacks

Ugly incidents in Howard Beach, Louisiana and Arizona bode ill

and whites live side by side harmoniously in very few places in America — even though overt expressions of racism are no longer fashionable and popular culture, especially television sitcoms, depicts blacks more favorably than it did a generation ago.

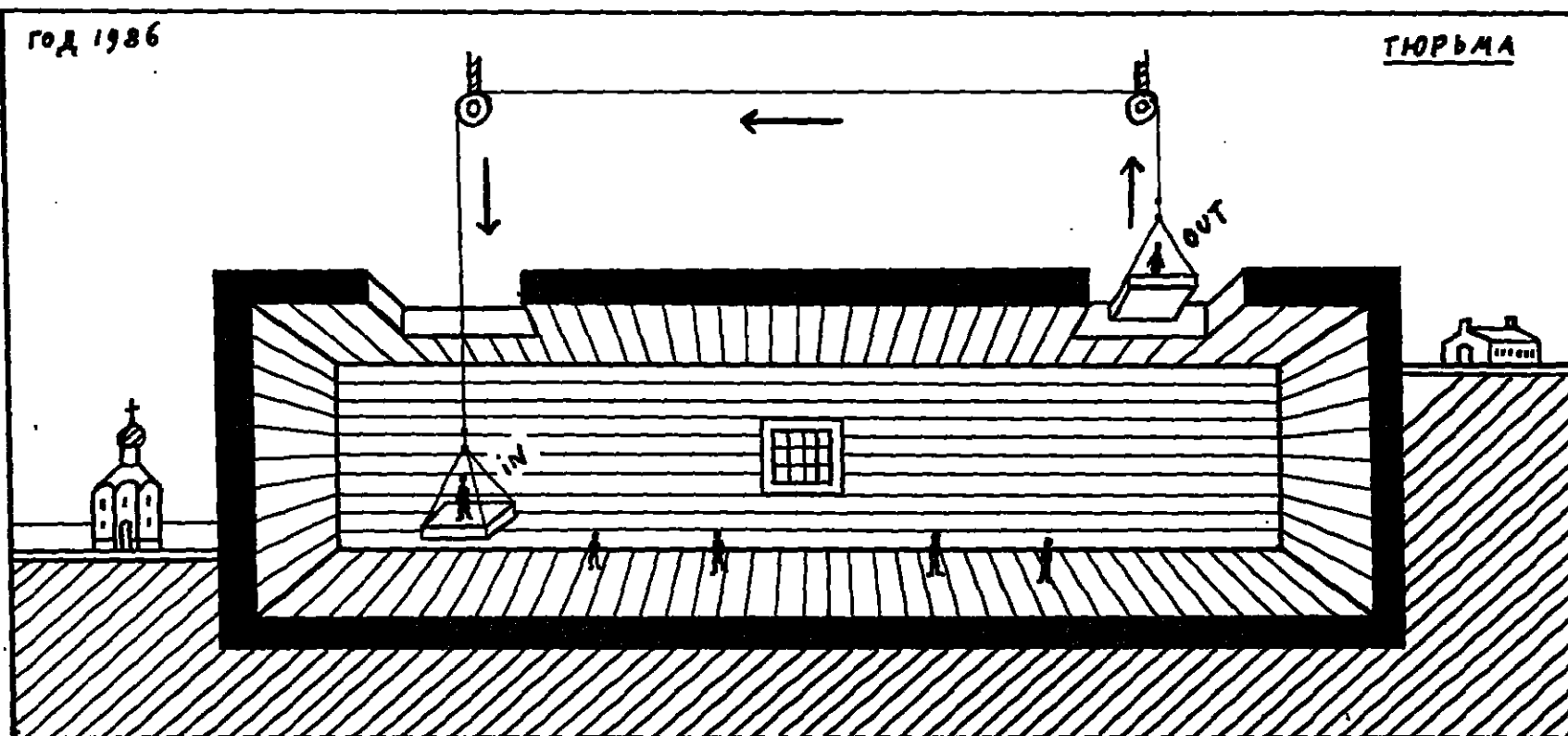
For their part, blacks must avoid despairingly dismissing the three incidents as nothing more than further evidence that whites are inherently racist and will never change.

Whites must realize that despite the upbeat sitcoms that prettify black life and despite a seeming decline in racism, blacks remain economically disadvantaged. Whites' exorcism of racism must begin not with pieties but with bedrock efforts to eliminate the economic gulf between blacks and whites. Old-fashioned Democratic largesse is not the answer.

Black and white Americans have lived together in a political system that has been legally color blind for only a generation. The onset of that generation was preceded by Jim Crow in many parts of the country.

We are not so remote from the melancholy past that we will not be contaminated by its horrors: slavery has been dead merely 121 years — not long in a nation's history. We are not so far along on the road of progress that upbeat sitcoms depicting black-white harmony and TV's black role models can be taken as a measure of real progress.

Before blacks and whites share America equally, the incidents of Howard Beach, Jefferson Parish and



An Old Flaw in U.S. Thinking

By Stephen Miller

WASHINGTON Most analysts of the Administration's actions in Iran have spoken of President Reagan's excessive delegation of authority or of his preoccupation with the hostages. But in some respects the Administration's handling of the "opening" toward Iran betrays a flaw that has been common among many Administrations: the assumption that an expression of good will on our part is important in modifying the behavior of hostile regimes.

Americans tend to believe in good will: if we show interest in making a deal, the other side will be equally accommodating. Such a notion comes naturally to a commercial nation that thrives, in the business and political

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worlds, on making deals — on reaching agreements considered beneficial to both parties.

As a result, many Americans are unwilling to believe that there are people who have a different view of good will — people who regard anything that smacks of good will as a sign of weakness, a sign that we are desperate to reach an accord. Our good will, then, will often result not in modifying the conduct of hostile regimes but in making them increase their demands or undertake actions we would disapprove of. Good will thus serves as a green light: the hostile regime's policy-makers see us as so bent on achieving accommodation that we would ignore actions by them that we consider hostile or evil.

In the first two years of his Administration, Jimmy Carter was full of good will toward the Soviet Union. Then the Soviet Union invaded Afghanistan. Though it would be wrong to see a direct connection between Mr. Carter's good will and the invasion, it may be that the Kremlin thought the Administration would play down the invasion since the President was so in-

Good will is seen as weakness

tent on improving relations between Washington and Moscow.

The Iranians, I suspect, regarded America's overture toward them as a sign of weakness. Far from influencing the so-called moderates in the Iranian Government, the Administration's overture strengthened those who think Tehran should drive a hard bargain with Washington. Moreover, they also must have become convinced that terrorism pays, since hostages buy weapons.

It is puzzling that Mr. Reagan would fail for a policy that gave the appearance of desperate good will, since he has often said that the same policy toward the Soviet Union would not work — that the Soviet Union only

understands power, not good will. Yet if a policy of good will makes no sense with the Soviet Union, it surely makes no sense with the Iranians, who after all regard the American regime as "the Great Satan."

Of course, it is not a mistake to initiate contacts with the Government of Iran. We should talk to the Iranians, but we must certainly not appear eager to reach some agreement with them. Discussions with hostile regimes above all require patience, but that quality, as de Tocqueville noted, is usually in short supply when democracies conduct foreign policy. Democracies, he said, have "little capacity for combining measures in secret and waiting patiently for the result."

Patience with Iran may pay off in the long run, since the Iranians do not want to be swallowed by the Soviet bear on their northern border. But wooing Iran requires that the Iranians come to us, not that we go begging to them. Otherwise, we will look weak and contemptible in their eyes, and they will drive a very hard bargain in all negotiations.

IN THE NATION | Tom Wicker

Moving to Mobility

The Pentagon doesn't really want it, the White House may be playing games with it, and the new weapon will cost billions that the defense department will be reluctant to put up. Nevertheless, President Reagan's decision to seek production of the mobile Midgetman missile may prove to be his most important contribution to national security.

If Mr. Reagan is serious about the Midgetman, he deserves real credit — given the sea of adversity in which he now struggles — for taking this first step toward a smaller, more survivable, less threatening nuclear deterrent. The decision appears also to have signaled that this President will not again ask for more than the 50 MX missiles already approved.

The Midgetman would be less threatening to the Russians because it mounts only one warhead as compared to 10 for the MX and poses little first-strike threat — unless built in far greater numbers than its high cost makes likely. It would be more survivable because of its size — only 37,000 pounds — which would allow it to be deployed and moved about on trucks.

It will add to national security

less threatening missiles (both submarine-based and mobile on-land) and warheads. But it's not yet clear that that's the Reagan Administration's intent — much less that of the Pentagon.

Secretary of Defense Caspar Weinberger is reported to have opposed going ahead with the Midgetman. An unidentified source quoted by The Washington Post said there was "a notable lack of enthusiasm ... in many quarters, including the Joint Chiefs of Staff." An unidentified source quoted by The New York Times said of the Pentagon: "I don't know of anyone in this building who wants that thing."

Of course not. The military usually

billion for an equivalent 10 warheads on each of 50 MX missiles. Unnamed officials also hint that the Midgetman may be only a sort of stalking-missile for an MX that the White House hopes to get by the back door.

When the Administration gave the green light to the Midgetman, funds also were sought to develop railroad-car based and limited mobility for the huge (190,000 pounds) MX missile. The officials suggested that if Congressional budget pressures forced a choice between the two weapons, the White House would sacrifice Midgetman to get the MX on rail cars.

If that basing mode for the MX proved workable, it would remove one of the most important reasons that Congress has been unwilling to finance more of them. The Pentagon, despite that opposition, still wants a force of 223 MX's; but a military spokesman said the next 50 would not be sought until Mr. Reagan had left office.

There's far more enthusiasm for the Midgetman in Congress than in the Administration of the

in times of serious international crisis. Thus, they still would be vulnerable to a surprise Soviet attack — the "bolt out of the blue" that obsesses many strategists.

What's most important for the moment is that the President appears to have moved away from more MX's to the small, survivable Midgetman. If Congress sustains that decision, the value of the Soviet Union's huge SS-18 missiles will radically decline. As three respected analysts — Brent Scowcroft, R. James Woolsey and John Deutch — suggested in an article in The Washington Post:

"The Soviets now know that ... by the early 1990's, we will be replacing silo-based missiles that are vulnerable to the SS-18 with mobile ones that are not. And the accuracy of the [submarine-based] Trident II, MX and small mobile missiles gives the Soviets added reason to move away from large silo-based ICBM's."

Thus, moving to Midgetman in this country could lead the way to more survivable deterrent forces with fewer warheads and reduced first-

FILM VIEW

VINCENT CANBY

It Wasn't
Such a
Bad Year
After All

When in doubt, say it was a bad year. Nobody would dare question you. It also means that you don't have to defend yourself. When you cite such self-proclaiming lull as Prince's "Under the Cherry Moon" and Willard Huyck's "Howard the Duck," all can nod in safe agreement that movies are continuing the downhill slide they began sometime before the advent of the talkies. I had no idea of the extent of this alienation until, not long ago, a film scholar said to me, quite seriously, "I don't think I want to see 'The Birth of a Nation' anymore."

Yet, in fact, 1986 was an improvement over 1985, in spite of rising production costs that bend the mind. While it was going on, it looked decidedly grim. More films were released, for the most part meaning more bad films, everything from "Mountain Top Motel Massacre" and "Girls School Screeners" to big-budget flops like Alan Alda's "Sweet Liberty" and Roman Polanski's "Pirates."

If we analyze the year's hit movies as if they are our collective, wish-fulfilling dreams, we are a nation of sentimental sadists and birdbrained yahoos, permanently arrested in our 15th year.

Sylvester Stallone, as "Cobra," shoots up California supermarkets in the name of law-and-order. Tom Cruise, in some admittedly splendid aerial photography, shoots up Russians in dogfights over the Indian Ocean in "Top Gun." In "The Karate Kid, Part II," a nice, clean-cut American boy solves all his problems by becoming a high-kicking Eastern mystic. John Hughes's "Pretty in Pink" deals firmly with not one but two questions that probably never even get asked in Russia: Should Molly Ringwald go to the senior prom and, if so, what frock should she wear?

The year's most American film in spirit (as well as one of the year's most popular) was made by Australians — "Crocodile Dundee."

However, in retrospect, it's now clear that 1986 hasn't been so bad after all. Any calendar year that's more or less bracketed by the release of Woody Allen's "Hannah and Her Sisters" in February and Oliver Stone's "Platoon" in December must be a little special.

There also were some exceptionally good documentaries, including Maximilian Schell's tough, funny

"Marlene," made with the grudging cooperation of Marlene Dietrich; Manfred Kirchheimer's "We Were So Beloved," about Jews who escaped from Germany before the Holocaust and settled in Manhattan's Washington Heights; and Ken Burns's "Huey Long," which is almost as much about the Great Depression as it is about the Mississippi "Kingfish."

A wacky standout: Ross McElwee's "Sherman's March," the film maker's meditation on "the possibility of romantic love in the South today," though he's often sidetracked by other kinds of love that bump into him on Southern sidewalks as he follows the trail of Gen. William Tecumseh Sherman, to the sea and up the coast.

Federico Fellini's "Fred and Ginger" was a disappointment, partially because all Fellini films are expected to match his masterpieces. Jonathan Demme's "Something Wild" doesn't rank with his "Melvin and Howard" and "Handle With Care," but it's still the work of one of our most exuberantly American directors.

Deserving much more serious attention than it received from the public and the critics was Penelope Spheeris's "Boys Next Door," a remarkably terse, beady-eyed tale of a couple of teen-agers who, without premeditation, turn a weekend lark in Los Angeles into a three-day murder spree. It also features an excellent performance by Charlie Sheen, Martin's boy, who becomes a star in "Platoon."

The year should not be wrapped up without mention of several other films that made 1986 far more rewarding than it appeared to be at the time. I'm thinking of Edgar Reitz's 16-hour "Heimat," a chronicle of life in Germany from 1919 to 1982 and, really, a television mini-series, though shown here at the Public Theater; Spike Lee's comedy, "She's Gotta Have It"; and the very English (screenplay by Harold Pinter) "Turtle Diary," with its elegantly funny performances by Glenda Jackson, Ben Kingsley and Michael Gambon.

All things considered — and allowing for biases that are indefensible — the 10 best films of 1986 are, in alphabetical order:

"Blue Velvet." On the basis of this arresting, scary comedy, about the demons busily at work just beneath the lawns of Small Town, U.S.A., I'm now convinced that David Lynch ("Eraserhead," "Elephant Man" and "Dune") is a blood-brother of John Waters ("Pink Flamingos"), only Mr. Lynch has complete command of his style and minds his manners a bit more. Both men are subversive humorists.

"Blue Velvet" is a revivifying example of the kind of idiosyncratic film making that sometimes — miraculously — is allowed to assert itself in the me-too world of commercial movie making. Beginning with the discovery of a human ear in a vacant lot in the otherwise spotlessly clean little city of Lumberton, the film goes on to weave its magic spell (accompanied by the title song) of moral, physical and fiscal corruption. The screenplay, written by Mr. Lynch, involves a masochistic, down-on-her-idol singer (Isabella Rossellini), her homicidal lover (Dennis Hopper) and the two kids next door, played by Kyle MacLachlan and Laura Dern (see "Smooth Talk" below), who solve the mystery of the abandoned ear. A crazy, all-American classic.

"The Color of Money." Taking off from "The Hustler," Robert Rossen's shapely, 1961 melodrama about the rise and fall of a pool hustler named Fast Eddie Felson (Paul Newman), Martin Scorsese, the director, Richard Price, who wrote the screenplay, and Mr. Newman, who plays Fast Eddie 25 years later, have created a stunning comedy of character that stands on its own.

The film, about the aging Fast Eddie's attempts to make a pool star of a young hustler much like himself 25 years ago, has a lot of the laconic wit and ease that distinguished Hollywood movies in their pre-World War II Golden Age. Tom Cruise is very good as the nervy kid, and Mary Elizabeth Mastrantonio is a bright, brand-new film personality as the kid's sharp-as-nails girlfriend. The film, however, belongs to Mr. Newman. He gives a rich, effortlessly commanding, funny performance that both caps a career and leads it on to new possibilities. Michael Ballhaus photographed Mr. Scorsese's fast-paced, neon-colored vision.

"Down by Law." "Stranger Than Paradise." Jim Jarmusch's bleakly comic, 1984 fable, was not a fluke. This is triumphantly proved by "Down by Law," Mr. Jarmusch's far less bleak but no less eccentric comedy about three misfits (a second-rate pimp, an out-of-work disk jockey and a Candide-like Italian tourist) fleeing the Louisiana police. Heading the excellent cast: Tom Waits, Tom Lurie (from "Stranger Than Paradise"), Roberto Benigni and Ellen Barkin.

The narrative is most engaging, but it's only a small part of what Mr. Jarmusch's films are all about. With the help of superior cameramen (in this case, of Robby Muller), Mr. Jarmusch reminds us that the position of the



"My Beautiful Laundrette," above—This was the most surprising, most satisfying hit of the year—a brilliant, cutting social comedy about exiled Pakistanis, making their way out of the London slums.



"A Room With a View," below left—a beautiful and rich adaptation of the E. M. Forster comedy of manners.



"The Color of Money," below right—Martin Scorsese's sequel is a stunning comedy of character that stands on its own.



"Platoon," above—one of the best films yet made about the fighting in Vietnam. It could be the best.



"Blue Velvet," above—a revivifying example of the kind of idiosyncratic film making that sometimes — miraculously — is allowed to assert itself.

"Ménage," left—This priceless French farce by Bertrand Blier should be experienced for its manic, upside-down humor and for Gérard Depardieu's extraordinary performance.

camera, whether it plays an active role or remains passive within a scene, the length of the takes, the lighting — in other words, the ways in which we perceive the film — are as important as any amount of clever acting or trumped-up storytelling. Mr. Jarmusch makes movies that look like no one else's and, because of that, they affect us like no others.

"Hannah and Her Sisters." This is the chef d'oeuvre of the Woody Allen career to date, a dramatic comedy about three spirited, loving, often wrongheaded, quintessentially bourgeois Manhattan sisters, played with singular skill by Mia Farrow, Dianne Wiest and Barbara Hershey. "Hannah" is another extraordinary Allen original. Though it evokes Chekhov, the master-of-theater whom the film maker most admires, it does so in Mr. Allen's own, utterly contemporary terms, and through his own profoundly moving sensibility.

Like Chekhov, Mr. Allen discovers a muted kind of glory in characters who slide between farce and tragedy, but who never receive consolation by being so easily defined.

"Ménage." Bertrand Blier's priceless French farce about a bruiser of an ex-con (Gérard Depardieu), an expert at breaking and entering, who destroys the marriage of a pair of engaging misfits. They are played by Michel Blanc and Mimi-Mimi, who somehow manage to adapt to the situation when Mr. Depardieu falls headlessly in love with — and successfully seduces — the uptight little husband.

The film can be profitably analyzed, I suppose, but first it should be experienced just for all of its manic, upside-down humor and for Mr. Depardieu's extraordinary performance.

"My Beautiful Laundrette." Written by Hanif Kureishi and directed by Stephen Frears, this was the most surprising, most satisfying hit of the year — a brilliant, cutting social comedy about exiled Pakistanis, making their way out of the London slums, and about some of the poor English who get in their way. It's also two sorrowful love stories, one of which is homosexual but doesn't bother to speak its name. It's self-evident.

The film is candid, wise and immensely entertaining. The fine cast features Saeed Jaffrey as a money-loving businessman, Gordon Warneke as his quick-to-learn nephew, and Daniel Day Lewis (see "A Room With a View" below), in the year's most expert performance by a young actor, as the Cockney tough who makes the romantic mistake of falling in love with Mr. Wrong.

"Platoon." Oliver Stone has done some flashy work before, including the screenplays for "Midnight Express" and "Scarface," and both the direction of the screenplay for "Salvador," but "Platoon" is something else entirely — one of the best films yet made about the fighting in Vietnam. It could be the best. The film's focus is short. It recalls the Vietnam War through the experiences of a single platoon of exhausted, amazingly resilient infantrymen, characterized almost entirely through their daily grinds, which are alternately deadly boring and just deadly.

Though it has a lot of worrying, moving things on its mind, "Platoon" contains no overt political messages. It's pragmatic, like its soldiers. Instead of messages, it dramatizes what fighting this war must have been like to those who weren't thinking about issues, only about making it back to base — day after day. Charlie Sheen plays the central role — beautifully — with excellent support from Willem Dafoe, Tom Berenger, Kevin Dillon and Keith David. In a word, smashing.

"A Room With a View." Those longtime collaborators — the producer Ismail Merchant, the director James Ivory and the writer Ruth Prawer Jhabvala — top their fine adaptation of Henry James's "Bostonians" with this even more beautiful and rich adaptation of E. M. Forster's comedy of manners, "A Room With a View." They have transferred Forster's novel from page to screen, seemingly intact, with dialogue, characters, settings, even ideas, not only undamaged but illuminated.

Chief among the equals of the splendid cast are Helena Bonham Carter, as the well-bred Edwardian girl who almost ruins her life — and the lives of everyone around her — by marrying the suitable but wrong man, and Maggie Smith, Denholm Elliott, Julian Sands and, in particular, Daniel Day Lewis as an insufferable though winning prig.

"Smooth Talk." It has the shape of the Joyce Carol Oates short story ("Where Are You Going, Where Have You Been?") from which it was adapted — about a pretty, gangly, sexually queering 15-year-old girl who, one day,

happens to attract every mother's nightmare, a rude, sexually queering "older" man of 30 or so. What happens to the active but innocent Connie (Laura Dern) is probably fatal in the story and almost beside the point of this fascinating film.

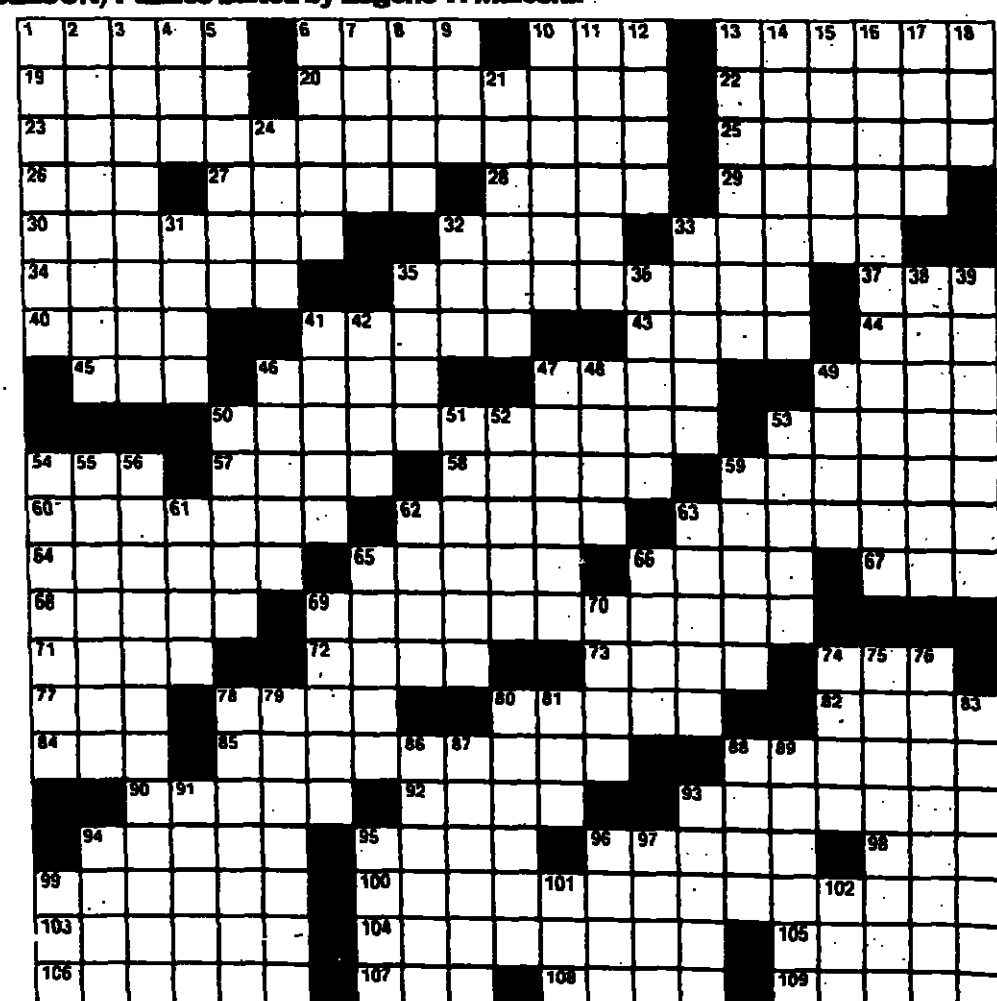
"Summer." Eric Rohmer's glowing miniature, a sad, sweet comedy about Delphine (Marie Rivière), a restless, lonely young Parisian woman who'd probably be hell to know, and her relationship with a handsome and Miss Rivière, is a source of continual delight.

White House Moonlighters

BY VIRGINIA P. ABELSON/Puzzles Edited by Eugene T. Maleska

ACROSS

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- 13 Instruments played like rattles
- 19 Adams or Gobel
- 20 Sanctions
- 22 Surround
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- 25 Crust for Colette
- 26 Expert
- 27 "Kick Out of You"
- 28 Matures
- 29 The Velvet Fog
- 30 Oversees
- 32 Symbol of Ra
- 33 Tropical climber
- 34 Leblanc's Lupin
- 35 President as another painter
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- 44 NCO
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- 72 A Long
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- 74 Exclamations of disbelief
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- 78 He wrote "My People"
- 80 Cambridge and Scarsdale
- 82 Plant parasite
- 84 D.D.E.'s command
- 85 President as baseball commissioner
- 88 "Kisses," Truffaut film
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- 96 Wickerwork willow
- 98 Navy mail sta.
- 99 Option
- 100 President as football player
- 103 Tray
- 104 Emulate Mark Hopkins
- 105 Deserves
- 106 These might be holy
- 107 Yes
- 108 Bshs., e.g.
- 109 "Foolish Things..." 1935 song

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- 2 Menu words
- 3 Privileged
- 4 Opponent of Luther
- 5 Pattern
- 6 Piscivorous raptors
- 7 Engrossed
- 8 Plato's portico
- 9 Sesame
- 10 Hypothetical protein molecule
- 11 New
- 12 Queries
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- 15 Like some testimony
- 16 President as author
- 17 Valuation
- 18 Bonzo, e.g.
- 21 — a pancake
- 24 Double curve
- 31 Prefix for space
- 32 Hockey's — Ross Trophy
- 33 Boors
- 35 Religious mentor

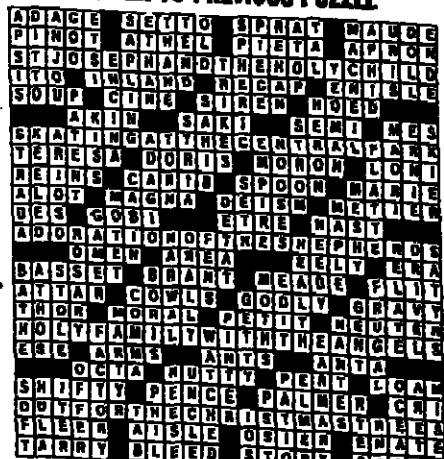
36 British navy group

- 37 Garb
- 38 Carpenters' tools
- 41 "Is Born"
- 42 Bangkok money
- 46 Cornered
- 47 Fort in the news in 1861
- 48 Waste allowance
- 49 "Separate Tables" director
- 50 Miller's "the Fall"
- 51 Snow in Tampa, e.g.
- 52 Salt water
- 53 Unites
- 54 Stander
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- 56 President as actor
- 59 Word before play or trade
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- 62 Unvarnished
- 63 Heraldic furs
- 65 Unit of weight in India
- 64 Dart
- 69 Graph

70 Carnival performer

- 74 Cupid
- 75 Heat lightning
- 76 Increases
- 78 Eradicator
- 79 Straw hats
- 80 Strip
- 81 Ferber's "Palace"
- 83 Approve
- 86 Hijacking, e.g.
- 87 Branched
- 88 Plum-pudding ingredient
- 89 Clay pigeon, e.g.
- 91 Novelist Schreiner
- 93 Gold trims
- 94 Loire tributary
- 95 Cavatina's kin
- 96 Female gamete
- 97 Denomination
- 99 Army V.I.P.
- 101 It's urged by NOW
- 102 Cheer

ANSWER TO PREVIOUS PUZZLE



A world turned upside down: 1986 in review

This was the year the economic world flipped over like an hourglass. It was the year:

- That the U.S., since World War II the world's great capital exporter, became the world's biggest debtor nation.
- That Japan became the world's No. 1 creditor nation.
- That communist China started setting up capitalist-style stock exchanges.

It was the year also:

- That OPEC nations started running out of money after years of bonanza.
- That the Soviet Union laid plans to introduce a limited form of private enterprise May 1, 1987.

Region by region here is how the world economy looked as 1986 gave way to 1987:

NORTH AMERICA

The U.S. became a debtor nation for the first time since before World War I. A \$150 billion foreign trade deficit in 1986 and a \$220b. government budget deficit hung like two threatening clouds over the U.S. economy as the national debt climbed to \$2.2 trillion.

Deliberate efforts by the U.S., Europe and Japanese governments to push the U.S. dollar lower failed to reduce the trade imbalance. The Gramm-Rudman budget-balancing law failed to contain the government deficit.

A flood of foreign money was financing the government shortfall. By the end of 1986, by various estimates, the U.S. would owe foreign investors as much as \$250b. making it the world's largest debtor nation.

EAST ASIA-PACIFIC

The Japanese trade surplus kept on growing despite all measures to arrest it. And as the surplus piled up in Tokyo banks, Japan became for the first time the world's No. 1 creditor nation.

The rising Yen brought dramatic changes to Japan's economy. Many Japanese industries, particularly steel, mining and automaking, were hard hit.

In China, economic reforms continued under paramount leader Deng Xiaoping. The first stock and



PLUMMETING OIL PRICES - Traders on the New York Mercantile Exchange gesticulate wildly as they deal in petroleum futures. (AFP)



JAPANESE SURPLUS - Tokyo consumers get leaflets urging them to buy more imported goods in an effort to put the country's trade into balance. (AFP)

Economic liberalization measures adopted by Indian Prime Minister Rajiv Gandhi appeared to be working to boost exports and the economy. The trade deficit narrowed and the Indian economy grew about 4 per cent, after inflation, in fiscal 1986.

Despite massive injections of international aid, Pakistan, Sri Lanka, Bangladesh and Nepal were suffering "serious fiscal and balance-of-payments strains," according to the World Bank's 1986 report.

MIDDLE EAST

In the Middle East, plunging oil prices and economic ripples from the Iran-Iraq war harmed the economies both of oil-producing countries and other nations.

The OPEC cartel expected to earn \$65 b. in 1986 compared with \$75 b. six years ago.

The results were spending cuts by Middle East governments, sharp declines in construction projects, expatriate labour layoffs and business failures.

Meanwhile Iraqi air raids cut Iran's oil exports to 800,000 barrels a day in a war that Iran says is costing it \$7b. a year - \$1 b. more than its 1986 oil revenues.

Israel launched an austerity programme of wage and price controls in July 1985 to rein in inflation, which had reached 191 per cent in 1985.

SOVIET UNION AND COMECON

The Soviet Union struggled through 1986 with a command economy dominated by central planning, declining oil production, nuclear energy setbacks and chronic farm problems. In 1986 Soviet leader Mikhail Gorbachev won approval for economic reforms slated to begin functioning in 1987.

They include restructuring rigid command structures and encouraging joint ventures with Western countries. On May 1, a new law will allow limited private enterprise, which Moscow prefers to call "self-employment." As many as two million people are expected to begin one-man businesses.

Many Soviet reforms reflect in-

creased tolerance of the more liberal economic approach of Soviet allies in Eastern Europe, especially Hungary. But the restrictions of central planning still held back performance in the Comecon bloc, which also includes Poland, Bulgaria, Romania, Czechoslovakia and East Germany.

For the 12 European Community nations, 1986 saw continued high unemployment. Average unemployment was 12 per cent in 1985 and 11.9 per cent in 1986. The EC commission said that 1987 will bring little relief for the 15 million jobless in the EC. An average growth rate of 2.8 per cent next year, the commission believes, is not enough to bring unemployment under control.

The EC's foreign trade outlook is also deteriorating, the commission says, holding back economic growth. In Britain and France, conservative governments proceeded with plans to hand over state enterprises to private owners. One such privatization - that of British gas - became the largest single stock market flotation ever in capitalist history.

Two problems dominated the Latin American economic scene in 1986 - the region's \$360b. foreign debt and its struggling foreign trade efforts. Peru suspended debt payments in 1986, Mexico negotiated more favourable terms, and Brazil

President Corazon Aquino was trying to rebuild the Philippine economy, left in shambles by ex-president Ferdinand Marcos.

Australia seemed to be down on its luck in 1986, running a current accounts deficit. Federal Treasurer Paul Keating said the country was "living beyond its means."

INDIAN SUBCONTINENT

Good harvest buoyed the economies of the Indian subcontinent, but they were hurt by the slowdown in world trade.



SOUTH AFRICAN SANCTIONS - Workers leave Eastman Kodak's Johannesburg headquarters after the company announced in November it was leaving the country. (AFP)

appeared to be the furthest ahead in pulling itself out of the hole with superior export performance.

Argentina and Brazil undertook drastic anti-inflation programmes. Together with Mexico, Ecuador and other countries, they also started making more room for private enterprise in economies long dominated by state corporations.

WESTERN EUROPE

The debtor countries were planning a conference in Mexico in January at which they were expected to call for easier terms from banks and more favourable trade treatment from industrial countries.

In Africa as well as Latin America, foreign debt was a major issue in 1986. But black African nations were taking a more accommodating tack, coming to terms with the International Monetary Fund's insistence on economic austerity to meet the debt crisis.

In Southern Africa the major development of 1986 was the mushrooming of worldwide economic sanctions against the apartheid system. And the major peril for 1987 seemed to be the danger of South African retaliation against neighbouring states.

Further north, the famine that devastated whole nations in 1985 was coming to an end, but Ethiopia was described by economists as still being in a disastrous condition. (Associated Press)

Franchise broker makes Israel debut

By SIMON LOUISON
For The Jerusalem Post
TEL AVIV. - American businessman Norman Schutzman spent a year fighting for Israel during the War of Independence. Now he wants to serve on the business front.

The Delaware businessman has what he calls a unique business as a franchise consultant advising both those wishing to obtain franchises and those who want to sell them.

Franchise Brokers Network (FBN) of which Schutzman is president, has a network of 61 offices throughout the U.S. Its newly established Tel Aviv branch will be the first one outside the U.S.

FBN's expansion to Israel was spurred by Schutzman's Jewish background as well as his memories of serving as captain of a company in Mahal, the units of volunteers who fought in the 1948 war. During this visit Schutzman revisited his old Seventh Brigade on the Golan Heights, once a rag-tag infantry but today an armoured mechanized unit.

On the business side he held a conference at the American Embassy where he promoted his company and the concept of franchising.

In the U.S. franchising is a \$500 billion-a-year business, responsible for one-third of the food and service industries' annual turnover. By the year 2000 this proportion is expected to rise to half.

Schutzman says franchising is an ideal way for Israeli businesses to expand into the U.S. and is also a great way for people to begin a new business here.

There are only three ways to begin a new business, he says. You can start on your own, but statistics show 85 per cent of such enterprises fail within three years. An existing business can be bought, but it is likely to be in the market because it is not thriving, and if it is, it is likely to be expensive. The third alternative is to buy a franchise licence.

Franchising is so successful because the seller has a commercial interest in the buyer doing well.

A typical franchise in the U.S. initially costs between \$15,000-25,000, including expenses for training and getting the business up and running. After that the franchiser gets royalties of around 5 per cent.

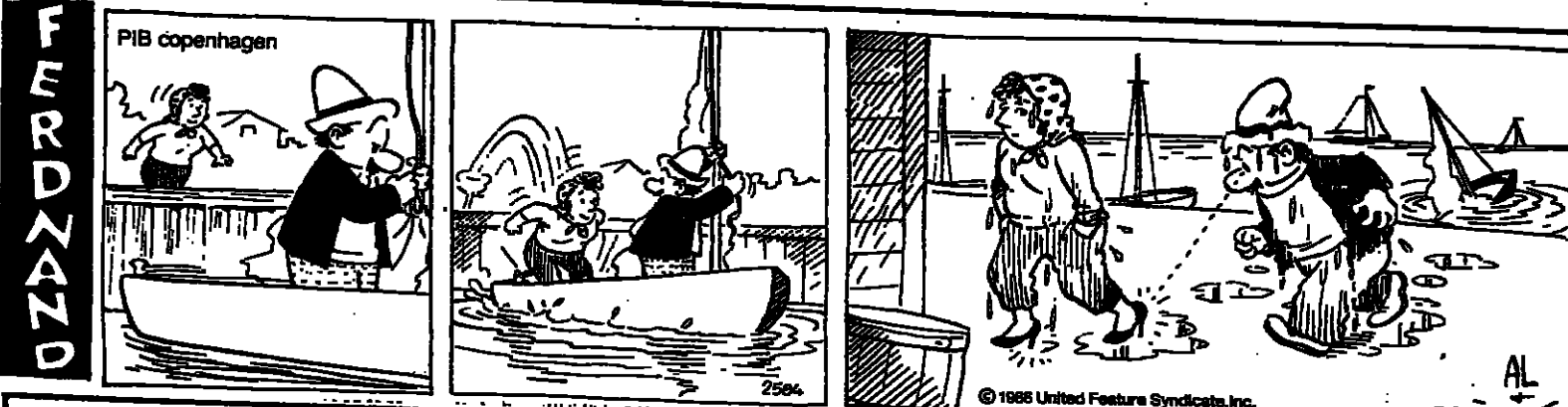
FBN's role in this is to draw on its network of banks, lawyers and accountants to provide background and financial assessment of potential clients. Once both client and FBN are satisfied, an appointment is set up with executives of the franchiser.

"If the chemistry is right then they get married, and we get a finder's fee," says Schutzman.

Heading the new Tel Aviv office is Leon Fine, a U.S. attorney who has lived in Israel for 25 years and is familiar with both the U.S. and Israeli business scenes.

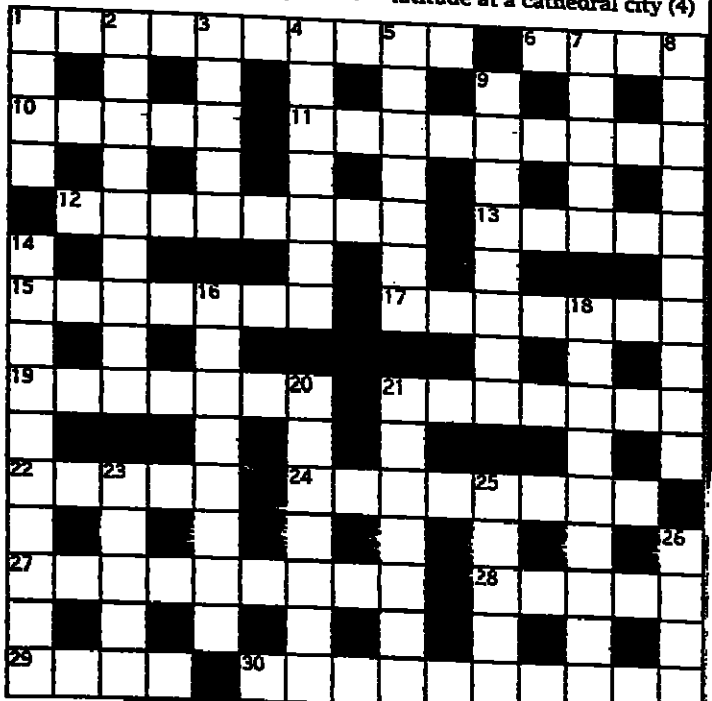
The other side of the business is run through the Franchise Development Co., which helps companies that want to become franchisees to set up a development plan. This consists of three parts: writing a standard contract between the franchiser and the franchisee, preparing a disclosure statement which outlines complete details on the franchiser and its owners, and putting together marketing and advertising plans.

Among the 60 firms on FBN's books are such well known franchisees as Bonanza, Insty-Pring, Nuri-Systems, Snelling and Snelling, Quality Inns, Sportabout and Betty Brite.



CROSSWORD

- ACROSS**
- Self-praising bandmen (10)
 - Be wary of Pole in midstream (4)
 - Sid carried away by one of high standing in Gwynedd (5)
 - Wire of some length carrying little weight (9)
 - Fuss over so-called brew sounds laughable (8)
 - Dramatist, one who may move mountains (5)
 - Cairo-made North American musical toy (7)
 - Attempts the extremes in a foreign port (7)
 - Affectionate act for which a former diplomat gets no return (7)
 - Shatter with a noise around Thailand's capital (7)
 - It's played on board with French and German assent (5)
 - Something to see after dark (8)
 - Certainly not for the epicurean palate (9)
 - Informed on a piece of pottery (5)
 - Air providing energy in thirty seconds (4)
 - Ema, milady, acts this way when it comes to life (10)
- DOWN**
- Food hard maybe, so change course (4)
 - Go through the subway (9)
 - Number in a South American republic lost to view (5)
 - Two cats around making music (7)
 - Steals pictures from Elizabethan Dudley's first wife, Amy? (7)
 - See 10
 - A notable decrease in sound (10)
 - She puts her point to minister without hesitation (8)
 - It's hard to get as low as this (4-6)
 - Followed the pattern and made it twice after unravelling (8)
 - Way one looks at the North Pole (9)
 - Kind of pin a small number, for example, dug up (7)
 - Lays out an amount for a plant (7)
 - Matter in dispute put to one's use (6)
 - Unskilled, splashing paint all over the place... (5)
 - ...unlike the painter given latitude at a cathedral city (4)



SCRIBBLE PAD

Yesterday's Solution



QUICK SOLUTION

- ACROSS: 7 Fourth, 8 Wright, 10 Abridge, 11 Panel, 12 Leak, 13 Folly, 17 Tarry, 18 Germ, 22 Cheap, 23 Margate, 24 Portal, 25 Remote.
- DOWN: 1 Affable, 2 Quartet, 3 Etude, 4 Grapple, 5 Agent, 6 Style, 9 Melodrama, 14 Caspian, 15 Megaton, 16 Ammeter, 19 Scope, 20 Perry, 21 Freed.

QUICK CROSSWORD

- ACROSS**
- Pen
 - Notified
 - Unplaced horse (4-5)
 - Chairman's hammer
 - Row
 - Result
 - Fish
 - Light aircraft
 - Part of a church
 - Young dog
 - Non-acceptance
 - Coordinant
 - Killed
 - Singular character
 - Advantage
- DOWN**
- Opulence
 - Publish
 - Republic
 - Patching (anag.)
 - Evident
 - Parasitic fungi
 - Hair-net
 - Stale joke
 - Curt
 - Wall-painting
 - Feather
 - Thoroughfare
 - Pile up
 - Continent

GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Kupat Holim Clalit, Romema, 523191; Belsam, Salah Eddin, 272315; Shu'afat, Shu'afat Road, 810108; Der Ahdwa, Herod's Gate, 282058.

Tel Aviv: Bass, 66 Frishman, 237326; Kupat Holim Clalit, 7 Amsterdam, 225142; Netanya: Kupat Holim Clalit, 31 Brodsky, 91123; Haifa: Yavne, 71bn Sina, 672288.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatric), Hadaash Ein Kerem (Internal, surgery, orthopedics, E.N.T.), Misgav Ladach (obstetrics), Shaare Zedek (ophthalmology). Tel Aviv: Rishon (pediatrics), Ichilov (internal, surgery). Netanya: Laniado.

POLICE 100

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 4444.

FIRE 102

In emergencies dial 102. Otherwise, number of your local station is in the front of the phone directory.

FIRST AID 101

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333 Jerusalem 623133
Ashkelon 22333 Kiryat Shmona 44333
Bat Yam 561111 Kiryat Shmona 44333
Beer Sheva 74767 Nahariya 623333
Carmiel 598955 Netanya 23333
Dan Region 771111 Petah Tikva 922111
Eilat 7233 Rehovot 461333
Haifa 22333 Rishon LaZion 942333
Holon 803133 Safed 30333
Holon 803133 Tiberias 90111
Tel Aviv 240111

* Mobile Intensive Care Unit (MICU) service in the area, around the clock.

"Ezer" - Emotional First Aid. Tel. Jerusalem 227171, Tel Aviv 261111 (children/youth 03-261113), Haifa 672222, Beer Sheva 418111, Netanya 35315.

Rape Crisis Centre (24 hours), for help call Tel Aviv 234815, Jerusalem - 249564, and Haifa 35271.

Jerusalem Institute for Drug Problems. Tel. 663828, 663902, 14 Bethlehem Rd.

The National Poison Control Centre at Rambam Hospital, phone (04) 529205, for emergency calls, 24 hours a day, for information in case of poisoning.

Kupat Holim Information Centre Tel. 03-433300, 433500 Sunday-Thursdays, 8 a.m. to 9 p.m. Friday 8 a.m. to 3 p.m.

FLIGHTS

24-Hours Flight Information Service: Call 03-9712484 (multi-line). Arrivals Only (Taped Message) 03-381111 (20 lines).

Tel Aviv University
The Institute For
Zionist Research

The Hebrew University
The Institute For
Contemporary Jewry

Beth Hatefutsoth Museum

invite you to a symposium (in Hebrew) on the subject

AMERICAN JEWRY AND ZIONISM

Chairperson:
Prof. Anita Shapira
Participants:
Prof. Zvi Ganin
Prof. Yosef Gorni
Prof. Israel Kolat
Prof. Ehud Luz
Prof. Ben Halpern

Thursday, January 7, 1987 at 6:00 p.m., Bnei Zion Auditorium,
Beth Hatefutsoth Museum in Tel Aviv University (Gate No. 2).

THE HEBREW UNIVERSITY OF JERUSALEM

invites the public to the following lectures:

Tuesday, December 30
United States, Israel and the Arabs
to be given by
Prof. Bernard Reich
Professor of Political Science and International Relations
George Washington University
4 p.m., Room 200, Beit Hillel

Thursday, January 1
Conditions for Successful Mediation in International Relations
to be given by
Prof. Jacob Bercovitch
Professor of Political Science
University of Canterbury, New Zealand
4 p.m., Room 502, Beit Meisardorf

Both lectures will be given at the Mt. Scopus campus of the Hebrew University.

MACHON MEIR
The Centre for Jewish Studies in Israel
2 Hameiri Ave, Jerusalem. Tel. 02-531906

invites you to hear
a talk in English by
H.E. the Israel Ambassador to the United Nations

Mr. BINYAMIN NETANYAHU

SUBJECT

- Challenges of Presenting Israel's Position to the World

QUESTIONS

- After the lecture in Hebrew and English

DATE

- Wednesday, December 31, 1986 at 8:30 p.m.

PLACE

- Hechal Shlomo, 58 King George St., Jerusalem

ADMISSION

- NIS 8 including refreshments
- NIS 4 for students

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MARKET PLACE

PINHAS LANDAU

Back in the Israel SSR

In those days, comrades, the People's Republic was threatened by reactionary forces, led by the capitalist-roader Nissim. He and his cohorts, representing nobody, seized control of the Treasury. How this was allowed to happen is a separate story, of course, but suffice it to say that the dictatorship of the proletariat was placed in severe jeopardy by the anti-social and criminal plots of these imperialist agents.

What was it they were after? This was no short-term bread-and-circuses act such as had earlier been perpetrated by the Arikson heretics under the Begin regime. Here was a carefully laid scheme, hatched in collusion with the chief capitalist powers of the West, under the leadership of the well-known fascist reactionaries, Reagan, Thatcher, Kohl and others.

By means of secret deals, dressed up as apparently innocent trade agreements with the Americans and Europeans, the Nissimite clique planned to distribute to their supporters imported luxury goods. These included small automobiles, washing machines, dryers, television sets with a choice of programmes, not all of them vetted by the relevant state authority — and other luxuries and decadent items, devoid of uplifting social value.

The means to purchase these sickening degeneracies was to be provided by ruthless purloining of the national wealth, accompanied by the despoliation of the working class and the rape of the social welfare system that the progressive elements of the nation had laboured for decades to put in place. Furthermore, the proletariat in the key enterprises in construction, agriculture, basic industries and defensive devices for protection against counter-revolutionary forces, were rendered helpless against the plutocrats and financiers who enticed them to their doom with their sordid malpractices.

For a brief moment the very future of the just and moral society created in the People's Republic seemed to be in the balance. But the heroes of the people were not found wanting in this dire hour of crisis.

As one man, the other 24 members of the Politburo rose up against the degeneracy of Nissim and his puppet Shamir. Each member defended his area of responsibility towards the people, by fiercely repelling the attempts to reduce the welfare of the downtrodden masses. In defence, in health, in education, in agriculture, social services and the interior, every man and woman gathered his trusted comrades and repulsed the pillaging marauders from Nissim's Treasury.

"The people's wealth is a sacred cause entrusted to us," they cried in unison, "and we shall never let it be cut, trimmed, slashed, reduced, or even rationalized. We must have growth in the economy — growing budgets, growing bureaucracy, growing politicization, growing numbers of ministers, deputies, aides, assistants, advisers and others whose sole aim is to serve the people. We know what is best, and we will decide accordingly."

Nor did they rest when they had defended the status quo. The best of them pointed out the real horrors of the reactionary scheme and endeavoured to reverse it. They insisted that taxes fall heavily on the rich, whether they paid them or not. They taxed selfish and unnecessary private cars, with levies and one-time taxes that lasted for ever, and then paid ever-larger sums to the cooperatives who provided transport for the proletariat, while sending out select teams to paralyze the private cars that clogged the public domain. This, they said, would save money by making extra road-building unnecessary.

They whipped up the masses into a frenzy and unleashed them on the evil plotters in the Treasury, by reminding them of the good life, devoid of worry, free of want, and outstanding in its economic equality and social justice, that the republic had enjoyed before the counter-revolution began, and that had attracted like-minded people from all over the world.

Extraordinary to relate, most people believed them.

CURRENCY MARKETS

No merry Xmas for the dollar

The dollar closed lower against most currencies in thin pre-holiday trading. The currency lost ground mainly on the widespread belief that the U.S. economy would continue to weaken in early 1987 and that the Federal Reserve Bank would be prompted to cut its discount rate again.

On Friday, the dollar dropped significantly against the yen following the Japanese government's forecast of a 3.5 per cent real economic growth for the 1987/88 fiscal year.

The U.S. economy may slow down in the early part of next year, as the current surge in capital investment and consumer spending to avoid the tax reforms going into effect on January 1 diminishes.

The U.S. Commerce Department reported that durable goods orders rose 5.9 per cent in November, but excluding defence orders the rise was only 0.6 per cent. An 0.3 per cent increase in U.S. consumer prices for the month had little impact on the dollar.

Last week the Swiss franc appeared to be the strongest European currency. The pound sterling rallied through the week amid continuing optimism as to the prospects of higher oil prices. Traders bought the pound as it penetrated important chart resistance at the \$1.45 level.

The recent advance of the Euro-currencies has brought them to their earlier resistance levels. Currently they are overbought and it is only a matter of time before there is some correction.

This week will tell whether the dollar is weak enough to fall further and reach new lows. In the meantime, it is advisable to stay on the sidelines as trading is very thin and could be deceiving. Aggressive traders should buy the dollar for a short-term correction.

Watch the trend which develops after January 1 and follow it closely.

The column appears courtesy of Boaz Bank Advisory Service.

Union, industrialists slam cuts in duties

By KEN SCHACHTER and AVI TEMKIN
Post Economic Staff

Consumers may have been hailing the planned price cuts for cars and other consumer durables, starting January 1, but both the Histadrut and the Manufacturers Association were highly critical of the decision. Even the car importers responded lukewarmly to the cuts.

Both the labour federation and the industrialists yesterday expressed shock and surprise that the Finance Ministry chose to reduce the purchase tax and import duties at the same time. Israel is required under separate treaties with the European Community and the U.S. to cut duties, but the purchase tax reductions were decided by the Treasury unilaterally.

"We don't understand the fiscal policy of the Treasury," the Histadrut said in a statement. "On the one hand it is planning to cancel income tax deductions for the elderly, development town residents and the poor, and on the other hand it is reducing customs on imported goods, especially luxury products."

"The move is likely to increase consumption and waste the country's foreign currency reserves," the union added.

Histadrut Secretary-General Yisrael Kassar responded even more sharply, saying, "The Treasury dropped the duties on imports above and beyond what was required in treaties at a time when industry in the country is struggling for its existence."

The Manufacturers Association echoed the Histadrut's views, saying the decision to cut the price of imports by so much was "anti-industry" and would hurt the competitiveness of local manufacturers, especially as no action had been taken to help local exporters.

It urged the government to rescind those components of the price cuts not specifically mandated by international accords.

Auto dealers, meanwhile, reacted cautiously. Arye Carasso, head of an association representing the 18 auto importers in Israel, downplayed suggestions that the announcement would release pent-up consumer demand and lead to a spurt in buying.

In recent weeks, industry observers had been suggesting that uncertainty over the purchase tax revisions was prodding skittish prospective auto buyers to delay their decision.

Asked what effect the new purchase-tax categories are likely to have on sales, Carasso said: "That's the \$64,000 question. For the moment, we're as mixed up as anybody else."

Ministries debate merit of milk subsidies

By ANDY COURT
For The Jerusalem Post

The Agriculture and Finance ministries yesterday argued before the economic inner cabinet over whether to abolish some \$30 million in milk subsidies that now make up 18 per cent of the price dairy farmers received for their milk.

At stake, the Agriculture Ministry officials said, was the government's ability to control milk production and to protect a portion of the local market for young moshavim and kibbutzim that would otherwise be overwhelmed by larger, more established settlements.

But Finance Ministry officials argued that since milk is marketed through such a small number of dairies, the Milk Production and Marketing Board could enforce quotas. At the same time, a special NIS 10 million fund would allow the government to subsidize the young settlements that need it most, rather than dairy farmers everywhere, the Treasury officials said.

Itamar Givon, assistant director of the Finance Ministry's budget department, said abolishing milk subsidies would save about \$30m. But Agriculture Ministry Director-General Meir Ben-Meir rejected the proposal, declaring that a minimum 15 per cent subsidy was needed to ensure that farmers don't try to circumvent the milk quota system.

In addition to milk subsidies, the two ministries quibbled over whether or not to combine the budgets for developing new water resources for subsidizing water prices into one fund, and whether the Volcani Institute for agricultural research would be placed outside of the governmental bodies under whose auspices it now operates.

Until now the two budgets have been handled separately. The Treasury wants them merged to reflect what it says are the real costs of supplying water, Givon said. The Agriculture Ministry, however, feels that the move would, among other things, pressure the current and future agriculture ministers to sacrifice the country's long-term water needs in order to lower farmers' water costs each year.

Mizrahi appoints search committee

A five-man committee led by chairman Haim Nedivi was appointed by United Mizrahi Bank's board yesterday to find a new managing-director of the bank in the wake of Moshe Mait's resignation.

The committee includes Eliezer Alter, Hagai Peniel, Ya'acov Yano and Eliahu Meron as well as Nedivi himself. It will present its decision to the board at a special meeting scheduled for Wednesday.

WHAT CONSUMERS WILL PAY

The reduction in customs duties combined with an increase in purchase taxes for most imports will result in a net price cut for the majority of such goods, while raising the price of others. Below is the percentage change in prices to the consumer.

Automobiles	ECU.S. manufacture	From Japan, Sweden and Spain
Up to 1300cc	-2.5	+11
1301-1800cc	-18	-7
1801-2000cc	-6	+7
2001-2500cc	-5	+12
2501-3000cc	-8	+7.5
3001cc and over	-8.5	+10.5
Commercial Vehicles		
Weight		
Up to 2200 kgs	-1.5	+11
2201-4500 kgs	-4	+8

A complete list of car prices in shekels will appear in tomorrow's 'Jerusalem Post.'

IMPORTS

(Continued from Page One)

Cars imported from Sweden, Japan and Spain will not be covered by the reduction in customs. In the case of small cars, like the Subaru 1300, the price will go up by 8.7 per cent, while 1300-1600cc cars such as Volvos and Subarus will cost only 9 per cent less.

Prices on cars from the U.S. and EC with engine sizes above 1600cc will drop 5 to 9 per cent on the average. However, those from Spain, Japan and Sweden with the same engine sizes will go up between 7.5 and 12 per cent.

The price of television sets will be cut by 5 to 7 per cent. Those of video cassette recorders will edge down 2 per cent; radios, 9 per cent; clothes dryers and dishwashers, 9 per cent; vacuum cleaners, 22 to 30 per cent; and refrigerators, 6-14 per cent.

Customs chief Mordechai Bareket said yesterday that the customs reductions would also include production inputs, goods used by industry to manufacture products. These cuts would not be limited to imports from those countries with which Israel has free-trade agreements, he added.

Bareket and state revenue commissioner Yisrael Baron told reporters that the changes in purchase taxes are also aimed at simplifying the duties system. Along with the reductions, the Treasury will unify the large number of import-duty categories into five groups of 10, 20, 30, 45 and 65 per cent.

Treasury officials calculated that the changes announced yesterday would bring a reduction of some 1 per cent in the consumer price index. They added that the Treasury would lose some NIS 217m. from the reduction in customs but said that this would be partly offset by extra revenue from purchase taxes amounting to NIS 60m.

Israel and Spain have been conducting trade talks in Madrid and Brussels on import-duty reductions, but the negotiations have foundered on the issue of reciprocity.

FINANCIAL DATA: ISRAEL, EUROPE, U.S.

Local interest rates and the most recent shekel exchange rates were unavailable yesterday. European metal prices were also unavailable due to holiday market closings. However, Wednesday's shekel and dollar exchange rates are reprinted below.

ISRAEL MONEY MARKETS

SHEKEL FOREIGN EXCHANGE RATES (December 24)

Currency	Buy	Sell	Rep. Rates
U.S. Dollar	1.4748	1.4832	1.44
Deutschmark	0.7480	0.7584	0.73
Pound Sterling	2.1532	2.1801	2.20
French Franc	0.2274	0.2302	0.22
Japanese Yen	0.0102	0.0103	0.01
Dutch Florin	0.0025	0.0026	0.0025
Swiss Franc	0.8946	0.9058	0.87
Swedish Krona	0.2150	0.2177	0.21
Norwegian Krone	0.1972	0.1987	0.19
Danish Krone	0.1581	0.1606	0.15
Finnish Mark	0.3484	0.3502	0.31
Canadian Dollar	1.0706	1.0840	1.05
Australian Dollar	0.9748	0.9870	0.95
S. African Rand	0.5829	0.5912	0.43
Belgian Franc	0.3554	0.3598	0.35
Austrian Shilling	10.1043	10.1777	1.04
Italian Lira	1000.10812	1.0947	1.05
Jordanian Dinar	—	—	4.04
Egyptian Pound	—	—	0.73
ECU	1.5574	1.5768	—

SUPPLIED BY BANK LEUMI

EUROPEAN FINANCIAL MARKETS

FOREIGN CURRENCY CROSS RATES (London 15.30GMT) (December 24)

Forward Rates	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHMARK	1.987590	52/47	70/65	127/117
POUND STERLING	1.458000	120/118	180/178	366/362
SWISS FRANC	1.640010	81/85	88/90	180/185
JAPANESE YEN	161.9000	52/50	72/70	137/132
FRENCH FRANC	6.475000	330/335	560/560	1000/1040
ITALIAN LIRA	1372.2070	900/1000	1450/1575	2950/3100
DUTCH GULDEN	2.223490	21/16	23/18	41/33
BELGIAN FRANC	40.930110	56	11/15	30/35
DANISH KRONA	7.454065	225/275	425/475	1050/1150
S.AFRICAN RAND	0.455308	30/22	40/33	80/70
EUROPEAN CURRENCY UNIT	1.055858	24/21	39/35	85/78
FINNISH MARK	4.832070	530/570	800/850	1625/1725
AUSTRALIAN DOLLAR	0.652520	60/63	123/118	213/207
NORWEGIAN KRONA	7.458020	1100/1140	1710/1750	3470/3630

Formula for determining forward rates:
 high/low (eg. 220/210) — deduct from spot price.
 low/high (eg. 210/220) — add to spot price.

NEW YORK FINANCIAL MARKETS

(December 26) U.S. MONEY RATES

Prime rate 7.50%; Broker Loan 7.50-8.00%; NY Euros 3 months 6 1/2-7 1/2%; Fed Funds late 6 1/2%.

NEW YORK FOREIGN EXCHANGE

CLOSING	DMK	SFR	STG	YEN	CAN
OPENING	1.9850/80	1.6410/30	1.4625/40	161.20/30	1.3785/95
LATEST	1.9575/85	1.6350/70	1.4605/15	160.00/15	1.3775/85
	1.9000/15	1.6380/80	1.4560/80	158.75/85	1.3825/95

Comment

The dollar closed lower Friday in extremely thin post-Christmas dealings, in a market driven by the action among foreign currency futures in Chicago. The dollar dropped sharply against a yen strengthened by Asian participants buying yen and selling Deutschmarks and Swiss francs. The Canadian dollar plummeted as sell-stop orders were touched off in Chicago.

ISRAELI STOCKS

TRADED IN NEW YORK: December 26

NYSE and ASE	Last	Prev. Close	High	Low	Vol ('000)
Alliance	169 1/2	170	169 1/2	169 1/2	54
Am. Int'l. Corp.	1 1/4	1 1/4	1 1/4	1 1/4	31
Amgal	1 1/4	1 1/4	1 1/4	1 1/4	31
Elscim	1 1/4	1 1/4	1 1/4	1 1/4	158
Etz Leumi	9	8 1/2	9 1/4	9	3
Leumi	12 1/2	12 1/2	12 1/2	12 1/2	18

Over the counter

NYSE	last	bid	ask	NYSE	last	bid	ask
Aryt	—	6	6 1/2	Interpharm	—	4	4 1/4
Bank Leumi	—	21 1/2	23 1/2	Opotech	—	3 1/4	3 1/2
Edot	7 1/4	7 1/4	7 1/4	Rada	—	2 1/4	2 1/2
Etz Tel	2 1/4	2 1/4	2 1/4	Scotex	—	3 1/4	3 1/2
Elron	5 1/4	5 1/4	5 1/4	Tel Aviv	—	2 1/4	2 1/2
Fibronite	5 1/4	5 1/4	5 1/4	Telecom	—	2 1/4	2 1/2
IDB Bank	—	48	52	Telepharm	—	6 1/4	6 1/2
IS	3 1/2	3 1/2	3 1/2	NAVSTAR	—	2 1/4	2 1/2

WALL STREET Closing Prices

Dow Jones Indices	NYSE Highest Volume
IND	1,930.40 + 3.82
TRANS	0.72
UTILS	208.47 - 0.51
STOCK	748.50 + 0.31
NYSE COMP	141.14 + 0.14
NYSE IND	163.14 + 0.21
NASDAQ	350.01 + 0.39
S-P 100 INDEX	235.90 + 0.10
S-P COMPOSITE	248.92 + 0.17
AMEX INDEX	284.10 + 0.35
Statistics	
NYSE VOL	48,860,000
NASDAQ VOL	44,043,500 (Dec. 28)
STOCKS UP	778 DOWN 582
STOCKS UP	1,054 DOWN 894

Comment

Wall Street stock prices rose slightly Friday in a market best characterized by its lack of participants. The light volume, the lowest since December 28, 1984, was expected because the session was wedged between Thursday's Christmas holiday and the weekend.

The Dow Jones Industrial Average rose four points to 1930. Much of that gain was fuelled by Merck, which again soared ahead. Advances led declines by a four-to-three margin. Volume plunged to 49 million shares. Last Wednesday, 9 million shares traded.

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The IPO's golden jubilee

HIGH CULTURE and a reasonable degree of normality and affluence are usually believed to go together. The history of Israel is one long refutation of this belief, and the Israel Philharmonic Orchestra is a prime example of high culture thriving in conditions of adversity.

Back in 1936, when Bronislav Huberman was signing up Jewish musicians in Central and Eastern Europe for a new orchestra he had conceived that would have its home in Tel Aviv, he defied almost every convention of the time. The players were to leave familiar surroundings and safe careers in established centres of musical life for a small faraway land then swept by anti-Jewish "disturbances." Yet on coming here they found a still tiny and embattled Yishuv as keen on music as any audience in the world, and rushing to attend their concerts even at the risk of life and limb. It was mutual love at first hearing.

Ever since Arturo Toscanini signed the Palestine Symphony's birth certificate by leading its first performance just 50 years ago, the goal of excellence even amid hardship has guided the work of the orchestra which, after the rise of Israel, was renamed the Israel Philharmonic.

Of hardship there was no dearth. The IPO's annals chronicle Israel's own travails, and its record mirrors outstanding national tasks. The musicians travelled the perilous "Burma Road" to boost the spirits of besieged Jerusalemites during the War of Independence, and years later, as soon as the Six-Day War ended, the IPO hurried to perform Mahler on liberated Mount Scopus. Itself a microcosm of the "ingathering of the exiles," the orchestra has from its inception been home to successive groups of arriving musician immigrants—the latest among them being the Russians—as well as to native sons.

Today, operating from the home-base of the spacious Fredric Mann Auditorium in Tel Aviv, the IPO plays more concerts for a larger overall audience spread throughout the country than any other leading orchestra in the world. Although it must now compete for attention with a goodly number of more recently founded music ensembles, the IPO remains Israel's premier orchestra. And no cultural institution of any kind in Israel is able to reach quite as many people abroad as does the IPO in the course of its periodic overseas tours.

Over the years the IPO has been led by some of the finest masters of the baton in the world. The 40-year association with Leonard Bernstein is as much an unending love affair as it is a professional collaboration. And the present and long-time musical director, Zubin Mehta, copes inspiringly with the task of sustaining the standards set by Toscanini.

The list of IPO soloists has been as impressive as that of its conductors, and it includes not a few "local boys"—Barenboim, Perlman, Zukerman, Bronfman, Mintz—who grew before the orchestra's eyes to top international stature.

The going has not been smooth. Defying conventions has taken its toll. Some players have left for economic reasons. A self-governing body, the IPO, even with generous aid from friends abroad, can still only afford to pay salaries that would shame any other topnotch ensemble anywhere. The heavy dependence on income from subscriptions may account for the relatively few performances of contemporary and Israeli works.

To ensure the centrality of its role in the musical, indeed the cultural, life of the country the IPO will in future have to invest a greater effort in bringing more listeners into the embrace of classical music. But then, as veteran orchestra member Shlomo Bor puts it, 50 years is only an overture.

CATHOLICS

(Continued from Page One)

Shamir insists that any meeting with O'Connor be held in his Jerusalem office, a spokesman for the prime minister said yesterday. Shamir would not meet with O'Connor at his home or outside Jerusalem, the spokesman said.

But the Catholic source in Jerusalem argued yesterday that the visit of a cardinal "cannot be a state visit. It must be a religious visit."

The source added that Jerusalem Mayor Teddy Kolek had "insisted he must accompany O'Connor on a tour of Jerusalem." But, said the source, "a visit to Jerusalem is religious. The natural guide is a priest, not a secular mayor of another faith."

The source maintained that Israeli and church officials had discussed various drafts of O'Connor's itinerary here, including a "maximalist draft, very kindly submitted by the Israeli authorities, which was packed with state visits." This was not accepted, because the cardinal "needed time for religious visits."

Suddenly, the source said, instead of replying, "the government broke off the conversation," and engaged in a "press blitz" which "targeted" Church officials, including the apostolic delegate, as responsible for the change in O'Connor's itinerary.

Meanwhile, Catholic circles remain very sensitive about the visit. The Apostolic Delegation itself

would not issue any comment on the subject.

While in Jordan, O'Connor intends to meet King Hussein and tour Palestinian refugee camps, news agency reports from Amman quoted him as saying yesterday.

"I would think that when the king invites you to a meeting with him... that he pretty well sets the agenda for the discussion," O'Connor said.

Sitting beside O'Connor during a brief news conference was Anglican Elia Khoury, who was expelled by Israel in 1969 after being implicated in terror attacks. Khoury is now a member of the PLO's 10-man executive committee.

O'Connor's right was the Jordanian official charged with the administration of Islamic shrines in Jerusalem and the West Bank, Sheikh Abdul-Aziz al-Kharyat, Jordan's minister of religious affairs and a frequent critic of Israeli practices in the city.

Before leaving New York, O'Connor said he expected some of his meeting with Israeli leaders to take place.

O'Connor said he still definitely expected to meet with Kolek and Peres, but did not confirm he would meet with Shamir and Herzog.

American Jewish leaders expressed deep regret yesterday over the changes in O'Connor's schedule with several contending that it may now be better to cancel the visit.

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"WHEN THE time of the rice harvest arrives in Japan, all farmers come to the aid of each other." With this expression of cooperation, one of the alleged "secrets" of Japan's phenomenal economic rise, the Japanese ambassador to Israel, Koichi Tsutsumi, welcomed 50 participants to the International Conference on Japanese Management Practices and their Transferability to Other Countries. Held in Beersheba, under the auspices of the Humphrey Centre for Social Ecology of Ben-Gurion University of the Negev, the conference explored some of the management practices and their transferability to other countries like Britain, West Germany and Israel.

Beginning on a scholarly note, Ben-Ami Shilony of the Hebrew University outlined the Confucian concept of management: "The role of the leader is similar to that of the sun, inducing all other beings to act, not by coercion but by the emanation of his benevolent existence."

The Japanese, however, who changed many aspects of their adopted Chinese culture, also modified Confucius. Whereas, in China, learned people became the leaders in Japan, the leaders, became educated after coming to power.

China's autocracy, maintained Shilony, was absent in Japan. War lords, shoguns and even emperors consulted with "peers" and advisors. Decisions, he claimed, were made by consensus. But this leaves unexplained why leaders were considered "first among equals." Consensus and authority are close companions in Japanese society. To disentangle them is a challenging art form.

In modern times, the powerful Zaiatsu business families, while often employing non-family managers, were clearly dominated by the family head. Many observers of Japanese society would ascribe more weight to competition as the driving force in Japanese society. Loyalty to company and country is ingrained but so is competition. Japanese competition is intense and ferocious. As Shilony acknowledged: "There is much competition within the government bureaucracy."

Oded Shenkar of Tel Aviv University brought the conference back to earth: "For almost a decade now, the Japanese management model has been the subject of intense interest in the West. This interest has been translated into many attempts to introduce the model or various parts thereof to Western companies. Yet despite these experiences, no clear answer has yet to emerge regarding the suitability of Japanese management practices to other countries."

ONE PROBLEM concerned the interdependence among diverse practices like consensus, quality control circles and life-time employment. Mindful of this challenge, Shenkar presented what has been touted to be one of Japan's more significant management tools—Just-In-Time or JIT. Developed by Toyota, JIT expedited the supply of materials and components at relevant stages in the production process with minimal use of inventories. JIT is said to save costs of inventory and storage space, reduce production lead time, induce higher production quality and quicker market responsiveness.

However, Shenkar pointed out, to be effective, JIT requires (1) assurance of little or no labour disorders; (2) efficient transportation; (3) close location of suppliers; (4) multi-skilled workers; (5) company loyalty and (6) environmental stability, including low to non-existent inflation. Such requirements would leave out a lot of countries, including Israel. The Japanese, he observed, take no chances with suppliers whose reliability is not yet established. Their components are not used until their reliability has been established beyond doubt.

According to MIT lecturer Michael Cusumano, author of a book on the Japanese auto industry, the implementation of JIT at Toyota was brutal. Over one third of its workers were fired because of their inability (or unwillingness) to keep up with the intense pace set by JIT. Even today, Toyota workers and sub-contractors complain bitterly about the demanding pace and precision exacted by JIT.

In conclusion, Shenkar asserted that JIT is essentially an information handling system. Consequently, its value should be weighed against alternative information handling systems inasmuch as the "potential costs of a JIT that is not geared to a particular environment, may be greater than the savings realized from reduced inventories."

BEN-GURION lecturer Michael Ashkenazi explained that *hanzai*—quality analysis of the activities associated with shrine related festivals, shed some light on Japanese culture but its relation to Quality Control Circles (QCC) did not necessarily follow. Ashkenazi contended that "because *hanzai*—kai pre-

ceded the formation of QCC by several hundred years, it is a valid assumption that in this case, cultural familiarity (was) a boon to the introduction of an industrial innovation."

However, if this tradition of quality was in existence for so long, how does one explain the low quality goods that Japan produced for several years following World War II? The contribution of W.E. Deming, an American professor of statistics, in introducing statistical control techniques to Japan may have been more significant than the social aspects that Ashkenazi emphasized. Shenkar maintained that Japanese participants in QCC are highly trained individuals who place great emphasis on the statistical control methodologies of QCC.

The need for more relevance in cross-country comparisons emerged in the paper presented by Amnon Caspi, human resources consultant and lecturer at Bar Ilan University. "Of all the Japanese manufacturing and management practices available, Israel has, to date, only chosen one and even that one on a limited scale."

There were several reasons for selecting QCC over all others. These include anticipated quick results, relatively easy installation, low risk and low costs. Further, QCC could be introduced into some parts of a plant or throughout and control was always in the hands of the boss. Finally and possibly most significantly, failure would not fundamentally shake the organization.

High expectations had greeted the advent of QCC in Israel in 1980. The miracle had arrived, capable of "curing" Israel's managerial ills, or so it was thought. Israeli managers, consultants, academics and any others who could wrangle a trip journeyed to the "land of the economically rising sun."

The Israel Productivity Institute, which had developed concepts and practices similar to QCC in the 1970s, thought that the time needed to absorb Japanese-style QCC into Israel would be relatively short. This assumption, Caspi said, proved wrong. The reasons: (1) the *Histadrut's* attitude which ranged from negative to indifferent. Its section on Industrial Democracy, was controlled "by a left-wing political orientation (which) ignored participation management" (with all the ironies that implied); (2) the absence of a tradition of change in Israel; (3) the tendency of managers to centralize power rather than delegate it, let alone promote teamwork.

As a result, QCC was adopted mainly by larger, internationally oriented firms which were open to change. Fifteen organizations adopted 230 QCCs. Israel Aircraft Industries established almost half of them (100). Tadiran installed 50 and Telrad 30. The remaining 50 were dispersed among the textile and chemical industries, banks and services, and computer firms. Some 15 organizations are examining prospects for introducing QCCs via management persuasion, feasibility studies and training leaders. 15 other organizations considered the idea of QCC and dropped it, while others tried it and failed.

While Caspi explained why so few QCCs had been established in Israel, he did not indicate whether those established had been successful or not. The fact that Israel Aircraft Industries, for example, had linked its QCC operations to a suggestion plan for which employees received cash reimbursements may have been crucial.

THE LONE Japanese representative presented his observations on the transferability of Japanese management practices to the UK. "In the main," said Mr. Teruhiko Tomita, a Shiga University economist and researcher in transferability of Japanese management, "UK personnel appreciated Japanese management and even exhibited a sense of pride in working for Japanese companies."

In Mr. Tomita's opinion, the core

of Japanese management is four-fold: (1) flexible adjustment to environment; (2) integration of corporate and employee goals; (3) making employees into company men and thereby "non-compatible with other organizations" and (4) corporate performance-based rewards.

But the key of the keys seemed to be the cultivation of company loyalty to the point of making workers incompatible for employment elsewhere. Ways of achieving company loyalty included job rotation schemes, on-the-job-training, shared employer-employee information and the celebrated *ringi* system of consensus decision-making. In fact, what is often described as "lifetime employment" in Japan can more accurately be described as long-term company employment.

In transforming UK personnel into loyal Japanese company men, no amount of money was spared. According to Mr. Tomita, over \$5 million was spent training and indoctrinating British managers and workers via extensive visits, training and education in Japan.

Although Tomita indicated that 60 per cent of British managers surveyed felt that Japanese practices were applicable to the UK, some 40 per cent had doubts, besides. Tomita acknowledged, 30 per cent of the workers interviewed expressed unhappiness with the Japanese managed work atmosphere. Moreover, 55 per cent of all UK personnel interviewed considered it perfectly justifiable to change jobs or companies.

IT WOULD take two to three years, Tomita concluded before British management and workers would recognize the value of Japanese "Economics of Coordination." This, despite the fact that many British workers hired believed that their career prospects in Britain "to be fairly limited due to the social echelons they grew up in." Meanwhile, argued Tomita, both Britain and Japan seemed to agree that Japanese managers on site was a helpful if not necessary pre-requisite to success.

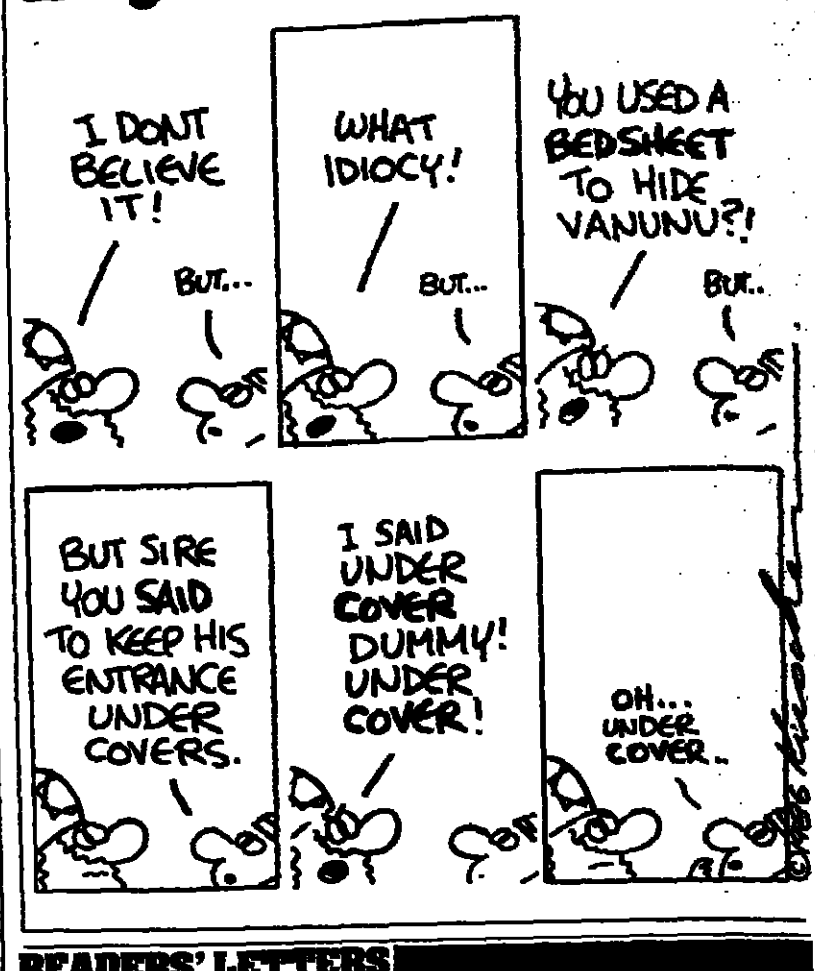
Hans-Peter Merz of the Free University of Berlin, West Germany dissented. In his research on the transferability of Japanese management practices to other countries, he found that conflicts often merged between the Japanese and host company managers. His case study of West Germany revealed serious dissatisfaction over arbitrary Japanese intrusion into German company matters.

In addition, communication between Japanese managers and German workers was often inadequate while promotion opportunities for Germans was felt to be limited. In many cases, Merz continued, Japanese managers failed to provide clear lines of direction. In some instances, he felt that it was simply a matter of limited competence. But yet when German subordinates attempted to take any initiative, they were roundly criticized by their Japanese superiors. In Merz's opinion, the Japanese stress on "company compatibility" would be difficult to apply in the West and that, at most, it should be limited to new companies only.

Finally, the larger question of Japan's real objective in establishing overseas firms was discussed. Was it really the transference of technology, hard JIT or soft QCC, or was it actually designed to further Japanese national objectives. Japanese investments in Britain, for example, higher than in any other European country, were designed to aid Japan in coping with "increasing pressure against Japanese imports in Europe." Tomita openly declared that the reduction of trade friction was a major goal of overseas Japanese investment. Such a goal is understandable, but if it is translated into singularly Japanese terms, then eventually Japan will fall victim to its own unrestrained success, as its trading partners become less able to earn their place in the world economy.

The writer is an author and lecturer in policy of science and technology and strategy-making for technological innovation, and has been a consultant to governments and industries in the U.S., Europe and Israel.

Dry Bones



READERS' LETTERS

HELP WITH DIVORCE

To the Editor of The Jerusalem Post
Sir.—There is a serious threat to our future survival which remains hidden from the public eye—the growing number of women (and men) who are held captive to "non-spouses" while their years of fertility waste away.

A typical case was an Israeli woman whose husband went to America when she was 24 years old. Six years later, he has still not returned. The woman, now aged 30, was left an *aguna*, tied to a dead marriage throughout her prime child-bearing years. Recently she got in touch with Shohrei Hapshara—Israel Family Mediation, a new organization of professional family mediators trained by Sylvia Mandelbaum, the pioneer of effective divorce mediation in Israel. Shohrei Hapshara instructed the *aguna* in the most persuasive way of approaching

her husband and worked in conjunction with the Jerusalem Beit Din to arrange for the husband to draw up a *get* in the U.S.

Through tact, diplomacy and an understanding of human nature, many *agunot* can be freed to remarry while they are still able to bear children.

Shohrei Hapshara also works with couples who are in need of divorce and wish to retain their dignity by avoiding courtroom litigation. Unfortunately, there are times when divorce is a mitzva and that mitzva, like any other, must be performed according to Halacha in the proper way and proper time.

SHOSHANA LEFON,
Spokeswoman,
Shohrei Hapshara,
Jerusalem Branch
(Telephone: 02-720103)
Jerusalem.

WOMEN IN ORTHODOX CONGREGATIONS

To the Editor of The Jerusalem Post
Sir.—As Orthodox rabbis in America, we have watched with concern the series of events which have followed the election of Ms. Leah Shakkid to the local religious council of Yeroham. Without wishing in any way to interfere in the internal religious and political decisions which are made by Israelis for Israelis, we would nevertheless like to make the following points which might be useful to bear in mind:

1. Local religious councils in Israel include laymen who share in making administrative decision regarding the support and functioning of religious institutions. Is a woman disqualified for such a role?

2. In America, most Orthodox congregations recognize the equal responsibility of men and women in the administrative functions of the synagogue—as opposed to religious functions where the rabbi has the

responsibility.

3. As Orthodox Jews, we are committed to *halachic* regulations which govern the role of women in ritual matters. In corporate matters, however, there is a great deal that can be done and had been done to assure that all members of the community—men and women—have the same voice in corporate affairs of the community.

4. For this reason, almost all Orthodox congregations today have equal status for men and women as members; many have women on their boards of trustees; and a number have women as officers.

We hope that these observations and facts will be of help in resolving the current dispute regarding Ms. Shakkid.

RABBI MARC D. ANGEL,
on behalf of 20
American Orthodox rabbis
New York.

AID TO WORKERS

To the Editor of The Jerusalem Post
Sir.—MKs Elazar Granot and Yair Tzaban (of Mapam) participated in the demonstration held by the workers of the Pri-ze plant in Hadera on November 28. They were the only MKs who participated, despite the claim in Mark Segal's *Public Faces* of December 5 that MK Ora Namir was the "only" Knesset member who came to their aid.

LENNIE FRITSCH,
Mapam area coordinator,
Sharon District
Herziya.

Mark Segal comments:
If the Mapam Regional party official had read properly what I wrote he would have seen that it was the works committee chairman who phoned Mrs. Namir to thank her for being the only MK who bothered about them. Incidentally since the report appeared, Rakah spokesman Uzi Burstein has advised me of a

letter of thanks from the works committee to MK Meir Wilner for his "major help" to their cause.

INTOLERABLE POLICY

To the Editor of The Jerusalem Post
Sir.—Joel Greenberg's *A Hebrew diary* (December 12 and 19) expresses my true sentiments and those of many of my fellow reservists who have served in the populated areas of the West Bank.

Our government's policy and the conduct of some of our security personnel in executing this policy are intolerable. Where once I returned from my duty with pride, today I find myself caught in a contradiction between my orders and my personal values.

MARC BESINSKY
Kibbutz Beit-Zera.

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